FEDERAL REGISTER

VOLUME 7 NUMBER 64

Washington, Thursday, April 2, 1942

The President

EXECUTIVE ORDER 9116

EXTENSION OF THE PROVISIONS OF EXECUTIVE ORDER NO. 9001 OF DECEMBER 27, 1941, TO CONTRACTS OF THE OFFICE OF THE COORDINATOR OF INTER-AMERICAN AFFAIRS, THE CIVIL AERONAUTICS ADMINISTRATION, THE NATIONAL HOUSING AGENCY, THE VETERANS' ADMINISTRATION, AND THE FEDERAL COMMUNICATIONS COMMISSION

By virtue of the authority vested in me by the act of Congress entitled "An Act to expedite the prosecution of the war effort" approved December 18, 1941, and as President of the United States, and deeming that such action will facilitate the prosecution of the war, I hereby extend the provisions of Executive Order No. 9001 of December 27, 1941,[1] to the Office of the Coordinator of Inter-American Affairs in the Office for Emergency Management, the Civil Aeronautics Administration of the Department of Commerce, and the National Housing Agency, with respect to all contracts made or to be made by such agencies, and to the Veterans' Administration with respect to all contracts hereafter made by it; and subject to the limitations and regulations contained in such Executive order, I hereby authorize the Coordinator of Inter-American Affairs, the Administrator of Civil Aeronautics, the National Housing Administrator, and the Administrator of Veterans' Affairs, and such officers, employees, and agencies as each of them may designate, to perform and exercise, as to their respective agencies, all of the functions and powers vested in and granted to the Secretary of War, the Secretary of the Navy, and the Chairman of the United States Maritime Commission by such Executive order; and I hereby extend to all contracts of the Federal Communications Commission those provisions of the said Executive Order No. 9001 which relate to statutory requirements for advertising for bids, and I hereby authorize the Federal Communications Commission, or such officers or employees as it may designate, to enter into contracts without prior advertising for bids, under the regulations prescribed by that Executive order: *Provided, however,* that the provisions of this order shall be applicable only to contracts relating to the prosecution of the war effort.

FRANKLIN D ROOSEVELT

THE WHITE HOUSE,
March 30, 1942.

[F. R. Doc. 42-2863; Filed, March 31, 1942; 2:50 p. m.]

[1] 6 F.R. 6787.

Rules, Regulations, Orders

TITLE 7—AGRICULTURE

Chapter VIII—Sugar Agency, Agricultural Conservation and Adjustment Administration

PART 802—SUGAR DETERMINATIONS

DETERMINATION OF FARMING PRACTICES TO BE CARRIED OUT IN CONNECTION WITH THE PRODUCTION OF THE 1942 CROP OF SUGARCANE IN THE MAINLAND CANE SUGAR AREA

Pursuant to the provisions of section 301 (e) of the Sugar Act of 1937, as amended, the following determination is hereby issued:

§ 802.23d *Farming practices in connection with the production of the 1942 crop of sugarcane in the mainland cane sugar area*—(a) *Soil-building requirement.* The conditions prescribed in subsection (e) of Section 301 of the Sugar Act of 1937, as amended, shall be deemed to have been fulfilled with respect to the production of the 1942 crop of sugarcane for sugar on any farm in the mainland cane sugar area if there is carried out in 1942, on land on the farm which is adapted to the production of sugarcane for sugar, an acreage of soil-building practices equal to not less than 15 per centum of the acreage of sugarcane for sugar growing on the farm for harvest in 1942.

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THE PRESIDENT

RULES, REGULATIONS, ORDERS

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FEDERAL REGISTER

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(b) *Approved practices.* (1) Each acre of the following shall be counted as one acre of soil-building practices:

(i) Seeding winter legumes.

(ii) Plowing or disking under a good stand and good growth of a green manure crop, or cover crop (excluding lespedeza, peanuts hogged off, and non-leguminous cover crops).

(iii) Turning under a good stand and good growth of summer legumes (excluding peanuts, lespedeza, and summer legumes used as truck crops) NOT interplanted or grown in combination with row crops such as corn.

(2) Each two acres of the following shall be counted as one acre of soil-building practices:

(i) Turning under a good stand and good growth of summer legumes (excluding peanuts, lespedeza, and summer legumes used as truck crops) interplanted or grown in combination with row crops, such as corn, provided the summer legume occupies at least one-third of the land.

(3) Each of the following practices in the amounts specified shall be counted as one acre of soil-building practices if applied to a full seeding of winter legumes:

(i) Application of 300 pounds of 16-percent superphosphate (or its equivalent) to, or in connection with the seeding of, winter legumes.

(ii) Application of 500 pounds of basic slag or rock phosphate (including Colloidal Phosphate) to, or in connection with the seeding of, winter legumes.

(4) Each one and one-half acres of land the top soil of which is combustible (determined as such by the State Agricultural Conservation Committee) on which there are carried out the practices specified in paragraphs B, C, D and E of Amendment 3 to Southern Region Bulletin 101, issued June 11, 1937, for protecting the soil against fire, assuring adequate drainage, and preventing soil oxidation and subsidence, shall be counted as one acre of soil-building practices: *Provided, however,* That there shall be carried out on such land on the farm such other practices as are recommended for the farm by the County Agricultural Conservation Committee, and approved by the State Agricultural Conservation Committee, for protecting the soil against fire, assuring adequate drainage, preventing soil oxidation and subsidence, and otherwise preserving and improving the fertility of the soil and preventing soil erosion, such practices to be consistent with reasonable standards of the farming community in which the land is located.

(c) *Standards of performance.* The soil conserving practices shall be carried out on the farm in accordance with farming methods commonly used in the community in which the farm is located and in accordance with specifications approved by the Director of the Southern Division of the Agricultural Adjustment Agency. (Sec. 301, 50 Stat. 910; 7 U.S.C., 1131)

Done at Washington, D. C., this 1st day of April 1942. Witness my hand and the seal of the Department of Agriculture.

[SEAL] GROVER B. HILL,
Assistant Secretary.

[F. R. Doc. 42-2901; Filed, April 1, 1942; 11:56 a. m.]

Chapter IX—Agricultural Marketing Administration

[O-4, Amendment 2]

PART 904—MILK IN THE GREATER BOSTON MARKETING AREA

AMENDMENT NO. 2 TO THE ORDER,[1] AS AMENDED, REGULATING THE HANDLING OF MILK IN THE GREATER BOSTON, MASSACHUSETTS, MARKETING AREA

The Secretary of Agriculture of the United States of America, pursuant to the powers conferred upon the Secretary by Pub. Law 10, 73d Congress, as amended and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended, issued on July 28, 1941, effective as of August 1, 1941, the order, as amended, regulating the handling of milk in the Greater Boston, Massachusetts, marketing area.

There being reason to believe that amendment of said order, as amended, would tend to effectuate the declared policy of the act, a notice was given on the 20th day of August 1941 of a hearing which was held on August 26 at St. Johnsbury, Vermont, and on August 27 at Boston, Massachusetts; at which times and places all interested parties were afforded an opportunity to be heard on proposed amendments to said order, as amended, and thereafter Amendment No. 1 was issued, effective October 28, 1941.

There being reason to believe that further amendment of said order, as amended, would tend to effectuate the declared policy of the act, notice was given on the 14th day of January 1942, of a hearing which was held on January 19 at Montpelier, Vermont, and on January 20 and 23 at Boston, Massachusetts; at which times and places all interested parties were afforded an opportunity to be heard on proposed amendments to said order, as amended.

The requirements of section 8c (9) of the act have been complied with.

It is found, upon the evidence introduced at said latter hearing on proposed amendments, said findings being in addition to the findings made upon the evidence introduced at all prior hearings on said order and amendments thereto (which findings are hereby ratified and affirmed, save only as such findings are in conflict with findings hereinafter set forth):

§ 904.0 *Findings.*

* * * * *

(j) That prices calculated to give milk produced for sale in the marketing area a purchasing power equivalent to the purchasing power of such milk, as determined pursuant to secs. 2 and 8 (e) of said act, 50 Stat. 246; 7 U.S.C. 602, 608e, are not reasonable in view of the available supplies of feeds, the price of feeds, and other economic conditions which affect the supply of and demand for such milk, and that the minimum prices set forth in this amendment to said order are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest; and that the fixing of such prices does not have for its purpose the maintenance of prices to producers above the levels which are declared in the act to be the policy of Congress to establish;

(k) That the order, as amended by this amendment, regulates the handling of milk in the same manner as and is applicable only to handlers defined in a marketing agreement, as amended, upon which a hearing has been held; and

(l) That the issuance of this amendment to the order, as amended, and all of the terms and conditions of the order, as so amended, tend to effectuate the declared policy of the act.

It is hereby ordered that the order, as amended, regulating the handling of milk in the Greater Boston, Massachusetts, marketing area, shall be, and it is hereby amended as follows:

1. Delete § 904.3 (b) (2) (i) and substitute therefor the following:

(i) as being sold, distributed, or disposed of other than as or in milk which contains ½ of 1 percent or more, but less than 16 percent of butterfat; and other than as or in chocolate or flavored whole or skim milk, buttermilk, or cultured skim milk, for human consumption; and

2. In § 904.4 (a) (1) delete "1942" and substitute therefor the following: "1943."

3. In § 904.4 (b) (1) change "17 cents" to "31 cents."

4. Delete subdivision (a) of the proviso in § 904.4 (b) (2) and substitute therefor the following:

(a) compute the average of all the dry skim milk powder quotations for carloads for "human food products (roller process) in barrels" and for "animal food products (hot roller) in bags," (using midpoint of any range as one quotation), published during such delivery period by the United States Department of Agriculture for New York City, subtract 4.56 cents, multiply by 7.

5. In § 904.4 (c) (1) add "and (3)" after the number "(2)" in the first line.

6. Add a subparagraph (3) to § 904.4 (c) as follows:

(3) In the event that a Class I price of $3.86 per hundredweight becomes effective pursuant to § 904.4 (a), as of the effective date of such price and for all delivery periods thereafter, § 904.4 (c) shall not apply and the applicable price pursuant to paragraph (a) of this section shall apply.

7. Delete § 904.7 (b) (6) and substitute therefor the following:

(6) Subtract not less than 5½ cents nor more than 6½ cents for the purpose of retaining a cash balance in connection with the payments and reserves set forth in §§ 904.8 (b) (3) and 904.9 (b).

8. Delete § 904.7 (c) and substitute therefor the following:

(c) *Proration of cash balance.* For each delivery period the market administrator shall prorate, by an appropriate addition pursuant to paragraph (b) of this section, the cash balance, if any, in his hands at the close of business on the 10th day after the end of such delivery period from payments made by handlers for milk received during any delivery period to meet obligations arising out of §§ 904.8 and 904.9.

9. Delete § 904.9 and substitute therefor the following:

§ 904.9 *Payments to cooperative associations*—(a) *Eligibility of cooperative associations.* Upon application to the Secretary, any cooperative association duly organized under the laws of any State which he determines, after appropriate inquiry or investigation, to be conforming to the provisions of such laws and of the Capper-Volstead Act, as amended, as to character of organization, voting requirements, dividend payments, dealing in products of nonmembers; to be operating as a responsible producer-controlled marketing association exercising full authority in the sale of the milk of its members; to be systematically checking the weights and tests of milk delivered by its members to plants other than those which may be operated by itself; to guarantee payments to its producers; to be maintaining, either individually or in collaboration with other qualified cooperative associations, a competent staff for dealing with marketing problems and providing information to its members with whom close working relationships are constantly maintained; to be collaborating with other similar associations in activities incident to the maintenance and strengthening of collective bargaining by producers and the operation of a plan of uniform pricing of milk to handlers; and to be complying with all provisions of this order applicable to such cooperative association, shall be entitled to receive payments in the amount and under the conditions herein specified from the date of qualification, as fixed by the Secretary, until it has been found by the Secretary after notice and opportunity for a hearing, that it has failed to continue to meet any condition or to maintain and exercise the authority or to perform any of the functions required by this section for the receipt or use of such payments.

(1) Any such cooperative association shall receive an amount computed as not more than the rate of 1½ cents per hundredweight of milk marketed by it on behalf of its members in conformity with the provision of this order, the value of which is determined pursuant to § 904.7 (a), and with respect to which a handler has made payments as required by § 904.8 (b) (3) and § 904.10: *Provided,* That the amount paid with respect to milk received at a plant not operated by the cooperative association shall not ex-

[1] 6 F.R. 3762, 5481.

ceed the amount which handlers are obligated to deduct from payments to members under paragraph (e) of this section. Such monies paid to such a cooperative association are not to be used in paying patronage dividends or other payments to members with respect to milk delivered except in fulfilling the guarantee of payments to producers; and that in cases where two or more of such cooperative associations participate in the marketing of the same milk, payment under this paragraph shall be available only to the association which the individual producer has made his exclusive agent in the marketing of such milk.

(2) Any such cooperative association shall receive an amount computed at the rate of 5 cents per hundredweight on Class I milk received from producers at a plant operated under the exclusive control of member producers or member associations which is sold to proprietary handlers and for which it accounts to the market administrator under § 904.8 (b) (3). This amount shall not be received on milk sold to stores, to handlers in which the cooperative, or any of its member or affiliated associations, or any other qualified association, has any ownership or control, or to a handler with which the cooperative has such sales arrangements that its milk not sold as Class I milk to such handler is not available for sale as Class I milk to other handlers.

(b) *Payment to qualified cooperative associations.* The market administrator shall, upon notice of the filing of an application, set aside each pay period from the cash balance created pursuant to § 904.7 (b) (6) such sum as he estimates is ample to make payments to the applicant and hold it in reserve until the Secretary has ruled upon said application and shall, upon claim in form as prescribed by him, submitted not later than the tenth day of the second month subsequent to the delivery period to which the claim applies or in which the Secretary's ruling is made, make payments authorized under paragraph (a) of this section, or issue credit therefor out of the said cash balance subject to verification of the receipts and other items on which the amount of such payment is based.

(c) *Reports.* Each cooperative association qualified to receive payments pursuant to this section shall, from time to time, as requested by the market administrator, make reports to him with respect to the use of such payments and the performance of any service or function set forth as the basis for such payment, and shall file with him a copy of its balance sheet and operating statement at the close of each fiscal year.

(d) *Suspension.* The market administrator shall suspend payments upon request by the Secretary or such officer of the Department of Agriculture as he may designate by giving written notice to such association whenever there is reason to believe that a beneficiary of such payments is no longer qualified. Such suspended payments shall be segregated and held in reserve until the Secretary has, after notice and opportunity for a hearing, ruled upon the performance of the cooperative and either ordered the suspended payment to be paid to it in whole or in part, or disqualified such cooperative, in which event the balance of payments held in reserve shall be added to the cash balance, if any, in his hands pursuant to § 904.8 (b) (3).

(e) *Authorized member deductions.* In the case of producers whose milk is received at a plant not operated by a cooperative association of which such producers are members and which is qualified to receive payments pursuant to this section, each handler shall make such deductions from the payments to be made to such producers pursuant to § 904.8 as may be authorized by such producers and, on or before the 25th day after the end of each delivery period, pay over such deductions to the association in whose favor such authorizations were made.

10. In § 904.10, delete "2.0 cents" and substitute therefor the following: "2.5 cents."

(48 Stat. 31, 670, 675 (1933); 49 Stat. 750 (1935); 50 Stat. 246 (1937) 7 U. S. C. and Sup. 601 et seq.)

Issued at Washington, D. C., this 31st day of March, 1942, to become effective on and after the 3d day of April 1942. Witness my hand and the official seal of the Department of Agriculture.

[SEAL] CLAUDE R. WICKARD,
Secretary of Agriculture.

[F. R. Doc. 42-2869; Filed, March 31, 1942; 5:39 p. m.]

TITLE 10—ARMY: WAR DEPARTMENT

Chapter III—Claims and Accounts

PART 34—MILITARY COURT FEES[1]

§ 34.2 *Reporters.*

* * * * *

(d) *Piece-work pay*—(1) *Rates.* In addition to the per diem and hourly pay prescribed in paragraphs (b) and (c) of this section, a reporter will be paid at not to exceed the following rates:

(i) For transcribing notes and for making that portion of the original record which is required to be typewritten, 20 cents for each 100 words; but no allowance will be made for original papers which are appended as exhibits.

(ii) For the second and each additional carbon copy of the record when authorized by the convening authority, 2 cents for each 100 words; no allowance will be made for the first carbon copy.

(iii) For copying papers material to the inquiry, 15 cents for each 100 words.

(iv) For each carbon copy of the papers referred to in (iii) above, when ordered by the court for its use, 2 cents for each 100 words.

(2) *Payment for second original.* Where an original copy is lost and no carbon copies are available from which a second original may be made, payment may be made for the preparation of a second original transcript from the stenographer's notes at the rate prescribed in (1) (a) above for original transcripts. See MS. Comp. Gen., B-11667, August 15, 1940.

(3) *Words, how counted.* In determining the amounts due under the provisions of subparagraph (1) above the following rules for counting words will govern:

(i) The abbreviations "Q," standing for the word "question", and "A", standing for the word "answer", and all dates, as "25th" and "1942", will each be counted as one word.

(ii) Punctuation marks will not be counted as words.

(iii) The certifying officer may determine the total number of words by counting the words on a sufficient number of pages to arrive at a fair average of words per page and multiplying such average by the total number of pages.

(iv) The number of pages, as well as the number of words, in each respective transcript for which compensation for copying is claimed will be shown on vouchers covering payments to reporters at piece-work rates. See MS. Comp. Gen., A-44019, January 4, 1937. (R. S. 161; 5 U. S. C. 22) [Par. 2*d*, AR 35-4120, March 18, 1942]

* * * * *

§ 34.3 *Witnesses.*

* * * * *

(d) *Tender of fees.* (1) The fees of such witness and his mileage, at the rates allowed to witnesses attending the courts of the United States (including fee for 1 day's actual attendance and mileage for the journey to and from the place where the witness is to appear under the subpoena) shall be duly paid or tendered said witness.

(2) The officer serving the subpoena for the appearance of a civilian witness before a general court martial, when ordered by proper authority, is entitled to reimbursement for fees and mileage necessarily advanced to the witness from personal funds at the time of the service, and there is no requirement that such advances be only by a disbursing officer, but the orders should be in writing, issued in advance of the payment directed and not confirmatory of the action previously taken, and a certified copy should be filed in support of the reimbursement voucher, as well as the cash receipt, evidencing actual payment. See 18 Comp. Gen. 352.

(e) *Expert.* (1) An expert witness employed in strict accordance with paragraph 99, Manual for Courts-Martial, 1928, may be paid compensation at the rate prescribed in advance by the official empowered to authorize his employment. If any defect exists in the manner of employment, payment of fees in excess of those prescribed in paragraphs (a) and (b) of this section will not be made by a disbursing officer.

(2) An expert while employed on behalf of the Government is an officer or employee of the United States within

[1] §§ 34.2 (d) and 34.3 (d) and (e) are amended.

the laws affecting traveling and subsistence expenses of officers and employees of the Government generally. His traveling allowances are therefore subject to the limitations prescribed in the Subsistence Expense Act of 1926 and the Standardized Government Travel Regulations. See 6 Comp. Gen. 712.

(3) There is no authority for payment by the Government of fees to an expert, who was employed by an officer or employee of the Government to aid in the performance of his duties, other than an expert witness who actually appears as such. See MS. Comp. Gen., A-34039, November 14, 1930. (R. S. 161; 5 U.S.C. 22) [Par. 3*j*, AR 35-4120, March 18, 1942]

* * * * *

[SEAL] J. A. ULIO,
Major General,
The Adjutant General.

[F. R. Doc. 42-2879; Filed, April 1, 1942; 10:20 a. m.]

Chapter IX—Transport

PART 94—PRIORITIES FOR AIR TRANSPORTATION [1]

§ 94.3 *Special instructions.*

* * * * *

(b) *Air carriers.*

* * * * *

(3) (ii) *Classes 2 and 3.* (*a*) Military personnel (War, Navy, Marine Corps, Coast Guard and Allied Military Personnel) will be identified by presentation of a special order which will *direct* travel by air as distinguished from special orders which merely *authorize* travel by air.

(*b*) Pilots of the Ferry Command, Army Air Forces, will be given priority Class 2 rating for civil air transport sleeper accommodations on flights providing such type of accommodation when such pilots possess specific directive orders issued by the AFAFC Sector Commanders, to whom they report, calling for such type of accommodation. Such orders must be separate orders directing the pilot to travel by sleeper plane if space on such planes is available and not occupied by priority passengers or priority cargo of a higher classification, and a specific request for each such reservation for sleeper accommodation for each such pilot must be made in advance of scheduled plane departure time by the office of the Sector Commander concerned. Berth accommodations will not be provided upon individual requests made by such pilots unless space is available without the necessity of removing other passengers or cargo. (Sec. 1, 39 Stat. 645; 10 U.S.C. 1361, and E.O. 8974—6 F.R. 6441) [Sec. III, 2-c-2, Directive No. 3, Priorities for Air Transportation, Headquarters, Army Air Forces, W. D., February 5, 1942, as amended by Amendment No. 1, March 14, 1942]

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[SEAL] J. A. ULIO,
Major General,
The Adjutant General.

[F. R. Doc. 42-2878; Filed, April 1, 1942; 10:20 a. m.]

[1] § 94.3 (b) (ii) is amended.

TITLE 13—BUSINESS CREDIT

Chapter I—Reconstruction Finance Corporation

CHARTER OF WAR INSURANCE CORPORATION

In order to expedite the national defense program and for the purpose of creating a corporation with the powers hereinafter stated pursuant to authority contained in Section 5d of the Reconstruction Finance Corporation Act, as amended, the creation of such corporation having been requested by the Federal Loan Administrator with the approval of the President, the Reconstruction Finance Corporation does hereby create a corporation and declares that:

FIRST: The name of the corporation shall be War Insurance Corporation.

SECOND: The location of the principal office of the corporation shall be in the City of Washington, District of Columbia.

THIRD: The objects, purposes and powers of the corporation shall be:

To provide, through insurance, reinsurance or otherwise, reasonable protection against loss of or damage to property, real and personal, which may result from enemy attack.

The corporation shall have power to do all things incidental to the foregoing and necessary or appropriate in connection therewith including, but not limited to, the power to borrow and hypothecate, to invest and reinvest its funds, to adopt and use a corporate seal, to make contracts, to acquire, hold and dispose of real and personal property necessary and incidental to the conduct of its business, and to sue and be sued in any court of competent jurisdiction.

FOURTH: The corporation, including its franchise, its capital, reserves, surplus, and income, shall be exempt from all taxation (which shall, for all purposes, be deemed to include sales, use, storage, and purchase taxes) now or hereafter imposed by the United States, or any territory, dependency or possession thereof, or by any state, county, municipality or local taxing authority, except that any real property (or buildings which are considered by the laws of any state to be personal property for taxation purposes) of the corporation shall be subject to state, territorial, county, municipal or local taxation to the same extent according to its value as other real property is taxed.

FIFTH: The corporation shall be an instrumentality of the United States Government, shall be entitled to the free use of the United States mails, and shall in all other respects be possessed of the privileges and immunities that are conferred upon the Reconstruction Finance Corporation under the Reconstruction Finance Corporation Act, as amended.

SIXTH: The total authorized capital stock of the corporation shall be One Hundred Million Dollars ($100,000,000), of which One Million Dollars ($1,000,000) shall be paid in immediately, and the balance as called. Such stock shall be of one class, shall have a par value of $1,000 per share, and shall be issued for cash only. Reconstruction Finance Corporation shall subscribe for all of the capital stock of the corporation and such stock shall not be transferable.

SEVENTH: The corporation shall not have succession beyond January 22, 1947, except for purposes of liquidation, unless it is extended beyond such date pursuant to an Act of Congress.

EIGHTH: The stockholder shall not be liable for the debts, contracts, or engagements of the corporation except to the extent of the unpaid stock subscriptions.

NINTH: The affairs and business of the corporation shall be managed by a board of directors who shall be appointed by Reconstruction Finance Corporation pursuant to the provisions of this Charter and the By-Laws of the corporation.

TENTH: This Charter and the By-Laws may be amended at any time by Reconstruction Finance Corporation.

In witness whereof, Reconstruction Finance Corporation has caused this Charter to be signed by its executive officer, the Chairman of its Board of Directors, and attested by its Acting Secretary, and has caused its seal to be hereunto affixed this 13th day of December 1941.

RECONSTRUCTION FINANCE CORPORATION,
CHARLES B. HENDERSON,
Chairman.

Attest:
A. T. HOBSON,
Acting Secretary.

[F. R. Doc. 42-2861; Filed, March 31, 1942; 3:52 p. m.]

AMENDMENT TO THE CHARTER OF WAR INSURANCE CORPORATION

Reconstruction Finance Corporation hereby certifies that, pursuant to Paragraph "Tenth" of the Charter of War Insurance Corporation and in accordance with the provisions of Section 5g of the Reconstruction Finance Corporation Act, as amended, the Charter of War Insurance Corporation was, on March 30, 1942, amended by changing Paragraph "First" thereof to read as follows:

FIRST: The name of the corporation shall be War Damage Corporation.

and by changing Paragraph "Third" thereof to read as follows:

THIRD: The objects, purposes and powers of the corporation shall be:

To provide, through insurance, reinsurance or otherwise, reasonable protection against loss of or damage to property, real and personal, which may result from enemy attack, including any action taken by the military, naval or air forces of the United States in resisting enemy attack.

The corporation shall have power to do all things incidental to the foregoing and necessary or appropriate in connection therewith including, but not limited to, the power to establish, in accordance with Section 5g of the Reconstruction Finance Corporation Act, as amended, the rates and the terms and conditions upon which such protection will be made available, and the power to borrow and hypothecate, to invest and reinvest its

funds, to adopt and use a corporate seal, to make contracts, to acquire, hold and dispose of real and personal property necessary and incidental to the conduct of its business, and to sue and be sued in any court of competent jurisdiction.

RECONSTRUCTION FINANCE CORPORATION,
CHARLES B. HENDERSON,
Chairman.

Attest:
A. T. HOBSON,
Acting Secretary.

Dated: March 30, 1942.

[F. R. Doc. 42-2862; Filed, March 31, 1942; 3:52 p. m.]

TITLE 14—CIVIL AVIATION

Chapter I—Civil Aeronautics Board

[Amendment 24-8, Civil Air Regs.]

PART 24—MECHANIC CERTIFICATES

AIRMAN IDENTIFICATION CARDS

At a session of the Civil Aeronautics Board held at its office in Washington, D. C., on the 25th day of March 1942.

Acting pursuant to the authority vested in it by the Civil Aeronautics Act of 1938, as amended, particularly sections 205 (a) and 601 of said Act, and finding that its action is desirable in the public interest and is necessary to carry out the provisions of, and to exercise and perform its powers and duties under, said Act, the Civil Aeronautics Board amends the Civil Air Regulations as follows:

Effective May 15, 1942, Part 24 of the Civil Air Regulations is amended as follows:

By the addition of a new § 24.54 reading as follows:

§ 24.54 No person shall serve as a mechanic in connection with the inspection, maintenance, overhaul or repair of aircraft, aircraft engines, propellers, or appliances thereof, or as a parachute rigger, after May 15, 1942, unless he has in his possession, in addition to a currently effective mechanic certificate, an identification card, satisfactory to the Administrator, containing his fingerprints, his picture and his signature.

By the Civil Aeronautics Board.

[SEAL] DARWIN CHARLES BROWN,
Secretary.

[F. R. Doc. 42-2888; Filed, April 1, 1942; 10:54 a. m.]

[Amendment 26-1, Civil Air Regs.]

PART 26—AIR-TRAFFIC CONTROL-TOWER OPERATOR CERTIFICATES

AIRMAN IDENTIFICATION CARDS

At a session of the Civil Aeronautics Board held at its office in Washington, D. C., on the 25th day of March 1942.

Acting pursuant to the authority vested in it by the Civil Aeronautics Act of 1938, as amended, particularly sections 205 (a) and 601 of said Act, and finding that its action is desirable in the public interest and is necessary to carry out the provisions of, and to exercise and perform its powers and duties under, said Act, the Civil Aeronautics Board amends the Civil Air Regulations as follows:

Effective May 15, 1942, Part 26 of the Civil Air Regulations is amended as follows:

By the addition of a new § 26.59 reading as follows:

§ 26.59 No person shall serve as an air-traffic control-tower operator, after May 15, 1942, unless he has in his possession, in addition to a currently effective control-tower operator certificate, an identification card, satisfactory to the Administrator, containing his fingerprints, his picture and his signature.

By the Civil Aeronautics Board.

[SEAL] DARWIN CHARLES BROWN,
Secretary.

[F. R. Doc. 42-2887; Filed, April 1, 1942; 10:54 a. m.]

[Amendment 27-6, Civil Air Regs.]

PART 27—AIRCRAFT DISPATCHER CERTIFICATES

AIRMAN IDENTIFICATION CARDS

At a session of the Civil Aeronautics Board held at its office in Washington, D. C., on the 25th day of March 1942.

Acting pursuant to the authority vested in it by the Civil Aeronautics Act of 1938, as amended, particularly sections 205 (a) and 601 of said Act, and finding that its action is desirable in the public interest and is necessary to carry out the provisions of, and to exercise and perform its powers and duties under, said Act, the Civil Aeronautics Board amends the Civil Air Regulations as follows:

Effective May 15, 1942, Part 27 of the Civil Air Regulations is amended as follows:

By the addition of a new § 27.29 reading as follows:

§ 27.29 *Aircraft dispatcher identification card.* No person shall serve as an aircraft dispatcher after May 15, 1942, unless he has in his possession, in addition to a currently effective dispatcher certificate, an identification card, satisfactory to the Administrator, containing his fingerprints, his picture and his signature.

By the Civil Aeronautics Board.

[SEAL] DARWIN CHARLES BROWN,
Secretary.

[F. R. Doc. 42-2886; Filed, April 1, 1942; 10:54 a. m.]

[Amendment 51-5, Civil Air Regs.]

PART 51—GROUND INSTRUCTOR RATING

AIRMAN IDENTIFICATION CARDS

At a session of the Civil Aeronautics Board held at its office in Washington, D. C., on the 25th day of March 1942.

Acting pursuant to the authority vested in it by the Civil Aeronautics Act of 1938, as amended, particularly sections 205 (a) and 601 of said Act, and finding that its action is desirable in the public interest and is necessary to carry out the provisions of, and to exercise and perform its powers and duties under, said Act, the Civil Aeronautics Board amends the Civil Air Regulations as follows:

Effective May 15, 1942, Part 51 of the Civil Air Regulations is amended as follows:

By the addition of a new § 51.29 reading as follows:

§ 51.29 *Ground instructor identification card.* No person shall serve as a ground instructor in connection with ground school subjects after May 15, 1942, unless he has in his possession, in addition to a currently effective ground instructor certificate, an identification card, satisfactory to the Administrator, containing his fingerprints, his picture and his signature.

By the Civil Aeronautics Board.

[SEAL] DARWIN CHARLES BROWN,
Secretary.

[F. R. Doc. 42-2885; Filed, April 1, 1942; 10:53 a. m.]

[Amendments 60-62 through 60-63, Civil Air Regs.]

PART 60—AIR TRAFFIC RULES

TRANSPORTATION OF EXPLOSIVES

At a session of the Civil Aeronautics Board held at its office in Washington, D. C., on the 25th day of March 1942.

Acting pursuant to the authority vested in it by the Civil Aeronautics Act of 1938, as amended, particularly sections 205 (a) and 601 of said Act, and finding that its action is desirable in the public interest and is necessary to carry out the provisions of, and to exercise and perform its powers and duties under, said Act, the Civil Aeronautics Board amends the Civil Air Regulations as follows:

Effective March 25, 1942, Part 60 of the Civil Air Regulations is amended as follows:

1. By amending § 60.344 to read "Unassigned".

2. By adding a new § 60.97 to read as follows:

§ 60.97 *Transportation of explosives.* The following regulations shall govern the carriage of explosives in civil aircraft:

§ 60.970 *Explosives defined.* As used in this section (§ 60.97) the term "Explosives" shall mean any article or substance classed as "Class A Explosives", "Class B Explosives", "Class C Explosives", "Not accepted" or "Forbidden", by the Interstate Commerce Commission in Part 2 of its *Regulations for the Transportation of Explosives and Other Dangerous Articles by Land and Water in Rail Freight, Express, and Baggage Services, and by Motor Vehicle (Highway), and Water,* effective January 7, 1941. It

shall not include the aircraft's signalling or safety equipment (such as a Very pistol or landing flares) nor materials for industrial or agricultural spraying, nor shall it include small arms ammunition in the possession of (a) a member of the flight crew; (b) a member of the armed forces of the United States or of the armed forces of any of its allies; or (c) an official, employee or officer of the United States, a State, Territory or Possession, or a political subdivision of any such State, Territory or Possession who is lawfully carrying arms on official duty.

§ 60.971 *Prohibited explosives.* No person shall operate a civil aircraft in flight carrying any article listed by the Interstate Commerce Commission as a "forbidden explosive" for shipment by freight, in Part 4 section 503, of its *Regulations for the Transportation of Explosives and Other Dangerous Articles by Land and Water in Rail Freight, Express, and Baggage Services and by Motor Vehicle (Highway), and Water,* effective January 7, 1941.

§ 60.972 *Acceptable explosives.* No person shall operate a civil aircraft in passenger flight carrying any explosives other than those listed by the Interstate Commerce Commission as "acceptable explosives" for shipment by express in Part 5, section 654, of its *Regulations for the Transportation of Explosives and Other Dangerous Articles by Land and Water in Rail Freight, Express, and Baggage Services, and by Motor Vehicle (Highway), and Water,* effective January 7, 1941. For the purposes of this section (§ 60.97) an aircraft is deemed to be in "passenger flight" whenever there is aboard such aircraft in flight any person other than a member of the flight crew, a member or representative of the armed forces of the United States or any of its allies, or a representative of the Civil Aeronautics Administration or of the Civil Aeronautics Board.

§ 60.973 *Packing and shipping precautions.* No person shall operate a civil aircraft in flight carrying explosives not otherwise prohibited by this section (§ 60.97) unless:

(a) such explosives have been appropriately packed and marked in accordance with the regulations of the Interstate Commerce Commission in effect on March 25, 1942; and

(b) such explosives are being shipped by or for the armed forces of the United States or any of its allies; and

(c) such explosives have been placed in a baggage compartment inaccessible to passengers during flight in which compartment nothing is being carried at the time other than such explosives; and

(d) such explosives have been firmly lashed to the aircraft structure in such manner as to prevent shifting in flight.

By the Civil Aeronautics Board.

[SEAL] DARWIN CHARLES BROWN,
Secretary.

[F. R. Doc. 42-2884; Filed, April 1, 1942; 10:53 a. m.]

TITLE 15—COMMERCE

Subtitle A—Office of the Secretary of Commerce

[Order No. 232]

PART 3—AWARD OF FELLOWSHIPS IN METEOROLOGY AND HURRICANE FORECASTING

Correction

The sections designated as "2.1" through "2.6", inclusive, should be designated as "3.1" through "3.6", inclusive (7 F.R. 2381).

TITLE 30—MINERAL RESOURCES

Chapter III—Bituminous Coal Division

[Docket No. A-1347]

PART 330—MINIMUM PRICE SCHEDULE, DISTRICT No. 10

ORDER GRANTING TEMPORARY RELIEF AND CONDITIONALLY PROVIDING FOR FINAL RELIEF IN THE MATTER OF THE PETITION OF DISTRICT BOARD 10 FOR THE ESTABLISHMENT OF PRICE CLASSIFICATIONS AND MINIMUM PRICES FOR THE COALS OF THE DELTA NO. 6 MINE (MINE INDEX NO. 1561) OF DELTA COAL MINING COMPANY A CODE MEMBER IN DISTRICT 10 FOR ALL SHIPMENTS EXCEPT TRUCK

An original petition, pursuant to section 4 II (d) of the Bituminous Coal Act of 1937, having been duly filed with this Division by the above-named party, requesting the establishment, both temporary and permanent, of price classifications and minimum prices for the coals of Delta No. 6 Mine (Mine Index No. 1561) of Delta Coal Mining Company a code member in District 10 for all shipments except truck; and

It appearing that a reasonable showing of necessity has been made for the granting of temporary relief in the manner hereafter set forth; and

No petitions of intervention having been filed with the Division in the above-entitled matter; and

The following action being deemed necessary in order to effectuate the purposes of the Act;

It is ordered, That, pending final disposition of the above-entitled matter, temporary relief is granted as follows: Commencing forthwith § 330.2 (*Mine index numbers*) is amended by adding thereto Supplement R–I, and § 330.10 (*Special prices*—(a) *Railroad locomotive fuel prices*) is amended by adding thereto Supplement R–II, which supplements are hereinafter set forth and hereby made a part hereof.

It is further ordered, That pleadings in opposition to the original petition in the above-entitled matter and applications to stay, terminate or modify the temporary relief herein granted may be filed with the Division forty-five (45) days from the date of this Order, pursuant to the Rules and Regulations Governing Practice and Procedure before the Bituminous Coal Division in Proceedings Instituted Pursuant to section 4 II (d) of the Bituminous Coal Act of 1937.

It is further ordered, That the relief herein granted shall become final sixty (60) days from the date of this Order, unless it shall otherwise be ordered.

Dated: March 23, 1942.

[SEAL] DAN H. WHEELER,
Acting Director.

TEMPORARY AND CONDITIONALLY FINAL EFFECTIVE MINIMUM PRICES FOR DISTRICT No. 10

NOTE: The material contained in these supplements is to be read in the light of the classifications, prices, instructions, exceptions and other provisions contained in Part 330, Minimum Price Schedule for District No. 10 and supplements thereto.

FOR ALL SHIPMENTS EXCEPT TRUCK

§ 330.2 *Mine index numbers*—Supplement R–I

Price group No.	Producer	Mine	Mine Index No.	Freight origin group	Shipping point	Railroad
7	Delta Coal Mining Company	Delta No. 6	1561	134	Delta, Ill.	IC.

Mine Index No. 1561 shall be included in Price Group 7 and shall take the same f. o. b. mine prices as other mines in Price Group 7, Schedule No. 1, District No. 10, for All Shipments Except Truck, on all size groups and for shipment to all market areas and for all uses exclusive of railroad locomotive fuel: *Provided, however,* That these f. o. b. mine prices apply on board transportation facilities at Delta, Illinois.

§ 330.10 *Special prices*—(a) *Railroad locomotive fuel prices*—Supplement R–II

Price group No.	Producer	Mine	Mine Index No.	Freight origin group	Shipping point	Railroad
7	Delta Coal Mining Company	Delta No. 6	1561	134	Delta, Ill.	IC.

The railroad locomotive fuel price shall be: mine run—$2.25, screenings—$1.70 f. o. b. cars Delta, Illinois and shall be permitted the same railroad locomotive fuel price exceptions as other mines in Price Group 7.

[F. R. Doc. 42-2893; Filed, April 1, 1942; 11:17 a. m.]

[Docket No. A-1348]

PART 330—MINIMUM PRICE SCHEDULE DISTRICT NO. 10

ORDER GRANTING TEMPORARY RELIEF AND CONDITIONALLY PROVIDING FOR FINAL RELIEF IN THE MATTER OF THE PETITION OF DISTRICT BOARD 10 FOR THE ESTABLISHMENT OF PRICE CLASSIFICATIONS AND MINIMUM PRICES FOR THE COALS OF CERTAIN MINES IN DISTRICT 10 FOR ALL SHIPMENTS EXCEPT TRUCK

An original petition, pursuant to section 4 II (d) of the Bituminous Coal Act of 1937, having been duly filed with this Division by the above-named party, requesting the establishment, both temporary and permanent, of price classifications and minimum prices for the coals of certain mines in District 10 for all shipments except truck; and

It appearing that a reasonable showing of necessity has been made for the granting of temporary relief in the manner hereinafter set forth; and

No petitions of intervention having been filed with the Division in the above-entitled matter; and

The following action being deemed necessary in order to effectuate the purposes of the Act;

It is ordered, That, pending final disposition of the above-entitled matter, temporary relief is granted as follows: Commencing forthwith, § 330.2 (*Mine index numbers*) is amended by adding thereto Supplement R–I, and § 330.10 (*Special prices*—(a) *Railroad locomotive fuel prices*) is amended by adding thereto Supplement R–II, which supplements are hereinafter set forth and hereby made a part hereof.

It is further ordered, That pleadings in opposition to the original petition in the above-entitled matter and applications to stay, terminate or modify the temporary relief herein granted may be filed with the Division within forty-five (45) days from the date of this Order, pursuant to the Rules and Regulations Governing Practice and Procedure before the Bituminous Coal Division in Proceedings Instituted Pursuant to section 4 II (d) of the Bituminous Coal Act of 1937.

It is further ordered, That the relief herein granted shall become final sixty (60) days from the date of this Order, unless it shall otherwise be ordered.

Dated: March 23, 1942.

[SEAL] DAN H. WHEELER, *Acting Director.*

TEMPORARY AND CONDITIONALLY FINAL EFFECTIVE MINIMUM PRICES FOR DISTRICT NO. 10

NOTE: The material contained in these supplements is to be read in the light of the classifications, prices, instructions, exceptions and other provisions contained in Part 330, Minimum Price Schedule for District No. 10 and supplements thereto.

FOR ALL SHIPMENTS EXCEPT TRUCK

§ 330.2 *Mine index numbers*—Supplement R–I

Price group No.	Producer	Mine	Mine index No.	Freight origin group	Shipping point	Railroad
2	Hickory Hill Coal Co. (Noah Kerstein).	Hickory Hill Coal Co	1455	130	Junction, Ill.	B&O.
2	New Shawnee Coal Company (Laurence Boutwell).	New Shawnee	1142	130	Junction, Ill.	B&O.

Mine Index Nos. 1455 and 1142 shall be included in Price Group 2 and shall take the same f. o. b. mine prices as other mines in Price Group 2, Schedule No. 1, District No. 10, for All Shipments Except Truck, on all size groups and for shipment to all market areas and for all uses exclusive of railroad locomotive fuel; provided, however, that these f. o. b. mine prices apply on board transportation facilities at Junction, Illinois.

§ 330.10 *Special prices*—(a) *Railroad locomotive fuel prices*—Supplement R–II

Price group No.	Producer	Mine	Mine index No.	Freight origin group	Shipping point	Railroad
2	Hickory Hill Coal Co. (Noah Kerstein).	Hickory Hill Coal Co	1455	130	Junction, Ill.	B&O.
2	New Shawnee Coal Company (Laurence Boutwell).	New Shawnee	1142	130	Junction, Ill.	B&O.

The railroad locomotive fuel price shall be: mine run—$2.25, screenings—$1.70 f. o. b. cars Junction, Illinois.

[F. R. Doc. 42-2894; Filed, April 1, 1942; 11:17 a. m.]

TITLE 32—NATIONAL DEFENSE

Chapter IX—War Production Board

Subchapter B—Division of Industry Operations

PART 933—COPPER

SUPPLEMENTARY ORDER NO. M-9-b AS AMENDED MARCH 31, 1942

Section 933.3 (Supplementary Order No. M-9-b[1] as Amended December 31, 1941), is hereby amended so as to read as follows:

§ 933.3 *Supplementary Order M-9-b*—(a) *Definitions.* For the purposes of this Supplementary Order:

(1) "Scrap" means all copper or copper base alloy materials or objects which are the waste or by-product of industrial fabrication, or which have been discarded on account of obsolescense, failure or other reason.

(2) "Copper" means copper metal which has been refined by any process of electrolysis or fire refining to a grade and in a form suitable for fabrication such as cathodes, wire bars, ingot bars, ingots, cakes, billets, wedge bars or other refined shapes, or Copper shot or other forms produced by a refiner.

(3) "Copper base alloy" means any alloy in the composition of which the percentage of copper metal by weight equals or exceeds 40% of the weight of all the metal.

(4) "Brass mill scrap" means that scrap which is a waste or by-product of industrial fabrication of products produced by Brass Mills.

(5) "Brass mill" means one which rolls, draws or extrudes castings made in its own plant of copper or copper base alloys, or one which rolls, draws or extrudes refinery shapes of copper or copper base alloys; it does not include a mill which re-rolls, re-draws or re-extrudes products produced from refinery shapes or castings of copper or copper base alloys.

(6) "Scrap dealer" means any person regularly engaged in the business of buying and selling Scrap.

(7) "Public utility" means any person furnishing telephone, telegraph or electric light and power services to the public or city, suburban or inter-city electrically operated public carrier transportation.

(b) *Delivery or acceptance of scrap.* No person shall deliver or accept the delivery of any Scrap except in accordance with the following directions:

(1) Brass mill scrap shall be delivered only to a scrap dealer or to a brass mill;

[1] 6 F.R. 5007; 7 F.R. 68.

a scrap dealer who accepts delivery of brass mill scrap shall in turn deliver such scrap only to a brass mill or another scrap dealer.

(2) No. 1 or No. 2 copper wire scrap shall be delivered only to a scrap dealer, or to a person specifically authorized by the Director of Industry Operations to receive deliveries of such quantities of No. 1 or No. 2 copper wire scrap.

(3) Scrap other than brass mill, No. 1 or No. 2 copper wire scrap shall be delivered only to a scrap dealer, or to a person specifically authorized by the Director of Industry Operations to receive deliveries of such quantities of scrap.

(4) A person other than a brass mill or dealer shall accept a delivery of scrap only pursuant to a specific authorization of the Director of Industry Operations.

(5) A brass mill shall accept no delivery of scrap other than brass mill scrap without the specific authorization of the Director of Industry Operations.

(6) A scrap dealer shall accept delivery of Scrap only if:

(i) Such scrap dealer shall, during the preceding 60 days, have sold or otherwise disposed of scrap to an amount at least equal in weight to the scrap inventory of such scrap dealer on the date of acceptance of delivery of scrap (which inventory shall exclude such delivery), and

(ii) Such scrap dealer shall have filed with the Bureau of Mines, College Park, Maryland, by the 10th of each month, Form PD–249, and

(iii) Such scrap dealer shall have supplied such other information as the Director of Industry Operations may from time to time require.

(c) *Melting or processing of scrap.* (1) No person other than a brass mill shall hereafter melt or process scrap, including scrap on hand at the date of this Order, without the specific authorization of the Director of Industry Operations.

(2) No brass mill shall hereafter melt or process any scrap other than brass mill scrap, including scrap on hand at the date of this Order, without the specific authorization of the Director of Industry Operations.

(3) No person accepting a delivery of scrap shall use such scrap or an equivalent amount and grade thereof except for the purposes for which acceptance of such deliveries are authorized by the Director of Industry Operations.

(4) All melters or processors of scrap other than brass mills shall file Form PD–121, Ref: M–9–b, War Production Board, Washington, D. C., on or before the 15th day of each month.

(d) *Authorization.* (1) Authorizations to receive deliveries of, melt or process scrap will be given by the Director of Industry Operations to assure the satisfaction of most essential war requirements. After the satisfaction of such requirements, deliveries of any residual supply will be authorized by the Director of Industry Operations for other necessary requirements.

(2) Any person desiring to obtain an authorization pursuant to this Order to accept the delivery of, melt or process scrap, should make application on Form PD–130, or such other form as the Director of Industry Operations may prescribe, to the War Production Board, Ref: M–9–b.

(e) *Disposal of scrap generated through fabrication or accumulated through obsolescence.* No person shall use, melt or dispose of any scrap generated in his plant through fabrication or as accumulated in his operations through obsolescence, in any way other than by sale or delivery to a person authorized to accept delivery, without the specific authorization of the Director of Industry Operations. In no event shall any person keep on hand more than thirty days' accumulation of scrap unless such accumulation aggregates less than five tons. All persons generating scrap through fabrication or accumulating scrap through obsolescence in excess of 2000 pounds in any calendar month, shall report on Form PD–226 on or before the 15th day of the following month, to the War Production Board, Ref: M–9–b, setting forth scrap inventory at the beginning of the previous calendar month, accumulations and sales during such month, inventory at the end of such month and such other information as the Director of Industry Operations may request from time to time. Nothing herein contained shall prohibit any public utility from using in its own operations wire or cable which has become scrap by obsolescence provided the lengths of such wire or cable are in excess of five feet and the quantity of such material so used by any person in any calendar month does not exceed five tons or such other amount as the Director of Industry Operations may specifically authorize.

(f) *Toll agreement.* No person shall deliver scrap, and no person shall accept same for converting, remelting or other processing under any existing or future toll agreement, conversion agreement or other form of agreement by which title remains vested in the person delivering the scrap or causing the scrap to be delivered, or which agreement is contingent upon return of processed material in any quantities, equivalent or otherwise, to the person delivering or causing the scrap to be delivered, unless and until such an agreement shall have been approved by the Director of Industry Operations. Any person desiring to have such an agreement approved must file with the War Production Board a statement setting forth the names of the parties to such agreement, the material involved as to kind and grade, the form of same, the estimated tonnage involved, the estimated rate of delivery, the length of time such agreement or other similar agreement has been in force, the duration of the agreement, the purpose for which the processed material is to be used, and any other pertinent data that would justify such approval.

(g) *Restriction on acceptance of copper base alloys or castings made therefrom.* No person shall knowingly accept delivery of copper base alloys or castings made therefrom, which have been obtained by melting and processing scrap delivered to a melter or processor contrary to the provisions of this Order.

(h) *Applicability of Priorities Regulation No. 1.* This Order and all transactions affected thereby are subject to the provisions of Priorities Regulation No. 1 (Part 944), as amended from time to time, except to the extent that any provisions hereof may be inconsistent therewith, in which case the provisions of this Order shall govern.

(i) *Specific directions.* The Director of Industry Operations may from time to time issue specific directions to any person as to the source, destination, amount, or grade of Scrap to be delivered or acquired by such person.

(j) *Communications.* All reports to be filed, applications for authorization to receive delivery of Scrap, and other communications concerning this Order, should be addressed to the War Production Board, Washington, D. C., Ref: M–9–b.

(k) This Order shall take effect immediately. (P.D. Reg. 1, as amended, 6 F.R. 6680; W.P.B. Reg. 1, 7 F.R. 561, E.O. 9024, 7 F.R. 329; E.O. 9040, 7 F.R. 527; sec. 2 (a), Pub. Law 671, 76th Cong., as amended by Pub. Law 89, 77th Cong.)

Issued this 31st day of March 1942.

J. S. KNOWLSON,
Director of Industry Operations.

[F. R. Doc. 42-2893; Filed, April 1, 1942; 11:51 a. m.]

PART 977—MANILA FIBER AND MANILA CORDAGE

AMENDMENT NO. 5 TO GENERAL PREFERENCE ORDER NO. M–36 TO CONSERVE THE SUPPLY AND DIRECT THE DISTRIBUTION OF MANILA FIBER AND MANILA CORDAGE

Section 977.1 (General Preference Order No. M–36, as amended)[1] is hereby amended as follows:

By substituting a semi-colon for the period at the end of paragraphs (e) (1) and (e) (2) as combined and amended on March 7, 1942 and adding to such paragraph the following:

* * * excepting, however, any Manila Cordage manufactured on Defense Orders under paragraph (e) (3) (i) and in the possession of a Cordage Processor and ready for delivery March 2, 1942, provided failure to make such delivery prior to March 2, 1942 did not result from circumstances under the control of such Cordage Processor.

By adding to paragraph (c) the following:

(6) by Cordage Processors to Cordage Processors.

By substituting for the definition of "supply" in paragraph (e) (4) the following:

[1] 6 F.R. 4534, 5217, 6614; 7 F.R. 1127, 1793.

"Supply" as used in this paragraph means the average monthly amount of Manila Cordage withdrawn from the inventory of such Person, which has been resold or put into actual use by such Person, in the three calendar months immediately preceding the calendar month in which said order is placed or delivery is accepted, or in the three calendar months of the previous year which immediately follow the calendar month of that year corresponding with the month in which said order is placed or delivery is accepted, whichever shall be the higher; *Provided, however,* That there shall be excluded from such amount any Manila Cordage purchased from such Person by the Navy Department, War Department, Maritime Commission, Defense Supply Corporation, and if such Person is a dealer any Manila Cordage imported by such Person.

This Amendment shall take effect immediately. Issued this 1st day of April 1942.

(P.D. Reg. 1, as amended, 6 F.R. 6680; W.P.B. Reg. 1, 7 F.R. 561, E.O. 9024, 7 F.R. 329; E.O. 9040, 7 F.R. 527; sec. 2 (a), Pub. Law 671, 76th Cong., as amended by Pub. Law 89, 77th Cong.)

J. S. KNOWLSON,
Director of Industry Operations.

[F. R. Doc. 42-2896; Filed, April 1, 1942; 11:49 a. m.]

PART 998—METAL OFFICE FURNITURE AND EQUIPMENT

SUPPLEMENTARY LIMITATION ORDER L-13-a

In accordance with the provisions of § 998.1 (General Limitation Order L-13 [1]) which the following Order supplements,

§ 998.2 *Supplementary Limitation Order L-13-a*—(a) *Definitions.* For the purpose of this Order:

(1) "Steel used" means:

(i) The aggregate weight of steel cut or processed by any manufacturer subject to this Order for use in the production of metal office furniture and equipment, plus

(ii) The aggregate weight of steel contained in purchased parts when such parts are put into the production of metal office furniture and equipment.

(2) "Class A manufacturers" means those manufacturers of metal office furniture and equipment whose Steel Used in the manufacture of such metal office furniture and equipment for the twelve months ending June 30, 1941, was 12,000 tons or more.

(3) "Class B manufacturers" means those manufacturers of metal office furniture and equipment whose Steel Used in the manufacture of such metal office furniture and equipment for the twelve months ending June 30, 1941, was more than 3,000 but less than 12,000 tons of steel.

(4) "Class C manufacturers" means those manufacturers of metal office furniture and equipment whose steel used in the manufacture of such metal office furniture and equipment for the twelve months ending June 30, 1941, was 3,000 tons or less.

(5) "Group I product" means any one of the following: Insulated metal filing cabinets; safes; metal visible record equipment.

(6) "Group II product" means the following: Metal shelving.

(7) "Group III product" means any one of the following: Metal filing cabinets other than insulated filing cabinets; metal lockers; metal office storage cabinets; metal desks, office chairs containing more than two pounds of metal other than swivel irons; metal office tables, including typewriter and office machine stands (except those which are integral parts of the machines which they support); metal bank vault equipment; metal office counters other than filing cabinets; movable metal partitions; doors, etc., for movable metal partitions; other metal office equipment, including waste paper baskets, metal trays and wire baskets; any other office furniture not specifically mentioned in Group I products and Group II product above, containing more than 5% of metal in the net weight of the finished product other than swivel irons and such minimum amount of iron or steel as is essentially required for nails, nuts, bolts, screws, clasps, rivets, and other joining hardware for the construction and assembly of non-metal structural parts.

(8) "Preferred order" means a specific order, contract or subcontract for metal office furniture and equipment placed by the Army or Navy of the United States, the United States Maritime Commission, or produced with the assistance of a preference rating of higher than A-2.

(9) "Special order" means any order or contract for metal desks, lockers, and chairs to be delivered to the Army, Navy, or Maritime Commission of the United States for use on board combatant vessels or troopships, or to be used outside the limits of continental United States in zones in which the tropical climate requires the use of such metal desks, lockers, and chairs.

(b) *General restrictions.* (1) From the effective date of this Order, no manufacturer (whether Class A, Class B, or Class C) shall manufacture or assemble any Group I product, except to the extent required to fill preferred orders.

(2) During the three months period from April 1, 1942 to June 30, 1942, and during each three month period thereafter until otherwise ordered, no manufacturer (whether Class A, Class B, or Class C) shall use in the production of the Group II product more than three times 50% of the average monthly amount of steel used by him for the manufacture of such Group II product during the twelve months ending June 30, 1941.

(3) From the effective date of this Order, no manufacturer (whether Class A, Class B, or Class C) shall sell, lease, trade, lend, deliver, ship or transfer any Group I, Group II, or Group III product produced by him after the effective date of this Order, except to the extent required to fill preferred orders. The term "manufacturer" shall be construed to include factory branches.

(4) During the period from April 1, 1942 to May 31, 1942, no Class A manufacturer of metal office furniture and equipment shall use in the production of any Group III product more than two times 40% of the monthly average of Steel Used by him for the manufacture of such Group III product during the twelve months ending June 30, 1941; during this period no Class B manufacturer of metal office furniture and equipment shall use in the production of any Group III product more than two times 50% of the monthly average of Steel Used by him for the manufacture of such Group III product during the twelve months ending June 30, 1941; during this period no Class C manufacturer of metal office furniture and equipment shall use in the production of any Group III product more than two times 60% of the monthly average of Steel Used by him for the manufacture of such Group III product during the twelve months ending June 30, 1941.

(5) Any manufacturer (whether Class A, Class B, or Class C) of metal office furniture and equipment who manufactures more than one Group III product may, as between such Group III products, adjust the permissible amounts of steel to be used, but such adjustment shall be within the following limits: In the production of any one product he may use up to but not exceeding 120% of the amount of steel permitted for such product under the terms of subparagraph (b) (4), but, in such a case, the amount of steel permitted for his other products shall be reduced so that the total amount of Steel Used by him in the production of metal office furniture and equipment shall not exceed the total permitted under subparagraph (b) (4) exclusive of the instant subparagraph.

(6) After May 31, 1942, no manufacturer (whether Class A, Class B, or Class C) shall process, fabricate, work on, or assemble any materials for use in the production of any Group III product, nor shall any manufacturer (whether Class A, Class B, or Class C) manufacture or assemble any Group III product.

(7) From the effective date of this Order, no manufacturer (whether Class A, Class B, or Class C) shall sell, lease, trade, lend, deliver, ship, or transfer any steel intended for use in the production of metal office furniture and equipment contained in his inventories to any person whatsoever, except:

(i) If such steel is contained as part of metal office furniture and equipment which such manufacturer is permitted to manufacture under the terms of this Order, or

(ii) To other manufacturers of metal office furniture and equipment, or

(iii) To fill an order for such steel placed with such manufacturer bearing

[1] 6 F.R. 5697; 7 F.R. 31.

a duly applied preference rating not lower than A-2, or

(iv) To Defense Supplies Corporation, Metals Reserve Company, or any other corporation organized under section 5 (d) of the Reconstruction Finance Corporation Act as amended, or any person acting as agent for any such Corporation, or

(v) Pursuant to specific authorization of the Director of Industry Operations.

(8) From the effective date of this Order, no manufacturer (whether Class A, Class B, or Class C) shall process, fabricate, work on, or assemble any steel contained in his inventories, except:

(i) If such steel is intended for use in or contained as part of metal office furniture and equipment which such manufacturer is permitted to manufacture under the terms of this Order, or

(ii) Pursuant to specific authorization of the Director of Industry Operations.

(9) The restrictions contained in this Order shall not apply to special orders.

(c) *Communications.* All appeals and other communications concerning this Order shall be addressed to the War Production Board, Washington, D. C., Ref.: L-13-a.

(d) *Appeals.* Any person affected by this Order who considers that compliance therewith would work an exceptional and unreasonable hardship upon him may appeal to the Dierctor of Industry Operations, Washington, D. C., Ref.: L-13-a setting forth the pertinent facts and the reasons he considers he is entitled to relief. The Director of Industry Operations may thereupon take such action as he deems appropriate.

(e) *Effective date.* This Order shall take effect immediately. (P.D. Reg. 1, as amended, 6 F.R. 6680; W.P.B. Reg. 1, 7 F.R. 561, E.O. 9024, 7 F.R. 329; E.O. 9040, 7 F.R. 527; sec. 2 (a), Pub. Law 671, 76th Cong., as amended by Pub. Law 89, 77th Cong.)

Issued this 1st day of April 1942.

J. S. KNOWLSON,
Director of Industry Operations.

[F. R. Doc. 42-2900; Filed, April 1, 1942; 11:51 a. m.]

PART 1012—DOMESTIC VACUUM CLEANERS

CORRECTION OF SUPPLEMENTARY GENERAL LIMITATION ORDER L-18-b[1]

Due to a typographical error, § 1012.3 (b) is corrected to read as follows:

(b) *Production of domestic vacuum cleaners prohibited after April 30, 1942.* No manufacturer may produce any domestic vacuum cleaners after April 30, 1942.

Issued this 1st day of April 1942.

J. S. KNOWLSON,
Director of Industry Operations.

[F. R. Doc. 42-2899; Filed, April 1, 1942; 11:51 a. m.]

[1] 7 F.R. 2462.

PART 1147—COLLAPSIBLE TIN, TIN-COATED AND ALLOY TUBES

CONSERVATION ORDER M-115

The fulfillment of requirements for the defense of the United States has created a shortage in the supply of tin for defense, for private account, and for export; and the following Order is deemed necessary and appropriate in the public interest and to promote the national defense.

§ 1147.1 *Conservation Order M-115*—(a) *Applicability of Priorities Regulation No. 1.* This Order and all transactions affected thereby are subject to the provisions of Priorities Regulation No. 1 (Part 944), as amended from time to time, except to the extent that any provision hereof may be inconsistent therewith, in which case the provisions of this Order shall govern.

(b) *Definitions.* For the purposes of this Order: (1) "Person" means any individual, partnership, association, business trust, corporation, governmental corporation, or agency, or any organized group of persons, whether incorporated or not.

(2) "Tube" means any collapsible container in the shape of a tube which is made, in whole or in part, of tin, tin-coated lead, or any other tin-coated lead alloy, or any combination thereof, and includes closures, crowns and caps for such tubes.

(3) "Class I Tube" means a tube used or intended to be used to pack any product listed on Table I, annexed hereto.

(4) "Class II Tube" means a tube used or intended to be used to pack any product listed on Table II, annexed hereto.

(5) "Class III Tube" means a tube used or intended to be used to pack any product listed on Table III, annexed hereto.

(6) "Non-Essential Tube" means any tube other than a tube described in subparagraphs (3), (4), and (5) above.

(7) "Tube User" means any person, whether or not he is also a tube manufacturer, engaged in the business of packing or filling tubes with any product of any kind for sale to others.

(8) "Retailer" means a person other than a distributor who sells or distributes tubes to the ultimate purchaser.

(9) "Distributor" means a person who sells or distributes tubes to retailers, including, but not limited to, wholesalers, jobbers, tube users, and tube manufacturers when they are engaged in such sale or distribution.

(c) *Restrictions upon the manufacture, sale and delivery of blanks and tubes and upon the use of tubes for packing*—(1) *Non-essential tubes.* After the date of issuance of this Order, no person shall manufacture or sell blanks for Non-Essential Tubes; no tube manufacturer shall manufacture or sell Non-Essential Tubes; and no tube user shall use any tubes to pack products not listed on Tables I, II, or III.

(2) *Class I tubes.* Notwithstanding the provisions of Conservation Order M-43-a, as amended, and until further order by the Director of Industry Operations, there shall be no restriction upon the percentage of tin which may be used in the manufacture of Class I Tubes, nor on the number of such tubes manufactured or used for packing products listed on Table I.

(3) *Class II tubes.* After the date of issuance of this Order, no person shall manufacture or sell for Class II Tubes blanks containing more than 7½% of tin by weight; no tube manufacturer shall manufacture or sell Class II Tubes containing more than 7½% of tin by weight; and no tube user shall use any tube containing more than 7½% of tin by weight to pack any product listed on Table II.

(4) *Class III tubes.* After the date of issuance of this Order, no person shall manufacture or sell for Class III Tubes, blanks containing more than 7½% of tin by weight; no tube manufacturer shall manufacture or sell Class III Tubes containing more than 7½% of tin by weight; and no tube user shall use any tube containing more than 7½% of tin by weight to pack any product listed on Table III.

No tube user shall pack in tubes during the period from April 1, 1942, to June 30, 1942, inclusive, more than 100% (measured by volumetric weight) of each of the products listed on Table III which he packed during the corresponding period of 1940.

(d) *Further conservation of tin.* (1) All manufacturers and users of all the kinds of tubes covered by this Order shall cooperate in effectuating as rapidly and as completely as possible a program of reducing the thickness of the tin coating on such tubes to the minimum thickness which will be sufficient for satisfactory packing of the particular product packed.

(2) All manufacturers of all kinds of tubes permitted to be manufactured or filled by this Order and all tube users packing products in such tubes are ordered to concentrate to the greatest extent practicable upon the larger-size tubes and to manufacture and to use for tube filling respectively as high a proportion of larger-size tubes (as compared with smaller-size tubes) as may be feasible and practicable. All such manufacturers and tube users are further ordered to substitute, for all tubes made in whole or in part of tin, containers made of other materials to the extent that such substitution may be feasible and practicable.

(3) No person who is presently using Class II or Class III Tubes but who did not use such tubes prior to January 1, 1941 for packing his products shall use such tubes for such packing after March 31, 1942.

(4) No retailer shall sell or deliver, on and after the date of issuance of this Order, a new Class III Tube to any ultimate purchaser unless such purchaser delivers to such retailer concurrently with his purchase one used tube (either a Class I, Class II or Class III Tube) for each tube delivered to such purchaser. All such tubes so received by retailers shall be held by such retailers until further order of the Director of Industry Operations. No person shall sell or otherwise dispose of any such tubes to dealers in scrap metals or junk, and all such dealers who have any such tubes in their possession shall hold them until

further order by the Director of Industry Operations.

(5) Nothing in this Order shall prevent the manufacture of non-essential tubes from blanks already manufactured on the date of issuance of this Order, or the sale and delivery of non-essential tubes already manufactured on such date, or the use of non-essential tubes already so manufactured for packing products not listed on Tables I, II, or III.

(e) *Certificates and reports relating to all the kinds of tubes covered by this Order*—(1) *Certificates of tube users.* Each tube user who purchases any tubes shall furnish to the tube manufacturer from whom he buys a certificate, in substantially the form attached hereto as Exhibit "A", that such tube user is familiar with the terms of this Order (in its present form or as it may be amended from time to time) and that, during the life of this Order, he will not use any tubes purchased from such tube manufacturer in violation of its terms. Only one such certificate covering all present and future purchases from a given tube manufacturer need be furnished by a tube user to that tube manufacturer (who shall retain such certificate), but no tube manufacturer shall be entitled to rely on any such certificate if he knows, or has reason to believe, it to be false; shall refuse to make further deliveries to such tube user and shall notify the War Production Board of the facts and reasons supporting such refusal.

(2) *Certificates of retailers.* Each retailer who purchases any tubes shall furnish to the manufacturer or distributor from whom he buys a certificate, in substantially the form attached hereto as Exhibit "B", that such retailer is familiar with the terms of this Order (in its present form or as it may be amended from time to time) and that, during the life of this Order he will not use any tubes purchased from such manufacturer or distributor in violation of its terms. Only one such certificate covering all present and future purchases from a given manufacturer or distributor need be furnished by a retailer, but no manufacturer or distributor shall be entitled to rely on any such certificate if he knows, or has reason to believe, it to be false; shall refuse to make further deliveries to such retailer and shall notify the War Production Board of the facts and reasons supporting such refusal.

(3) Each tube manufacturer and each tube user shall file such reports as the War Production Board may prescribe for the purpose of effective administration of the Order, and no tube manufacturer or distributor shall sell any tubes except under contracts or orders validated by the certification required by this paragraph (e).

(f) *Miscellaneous provisions*—(1) *Appeal.* Any person affected by this Order who considers that compliance therewith would work an exceptional and unreasonable hardship upon him, or that it would result in a degree of unemployment which would be unreasonably disproportionate compared with the amount of tin conserved, or that compliance with this Order would disrupt or impair a program of conversion from nondefense work to defense work, may appeal to the Office of the War Production Board on such form as may be prescribed, Ref.: M–115, setting forth the pertinent facts and the reasons he considers he is entitled to relief. The Director of Industry Operations may thereupon take such action as he deems appropriate.

(2) *Violations.* Any person who wilfully violates any provision of this Order, or who by any act or omission falsifies records to be kept or information to be furnished pursuant to this Order, may be prohibited from receiving further deliveries of any material subject to allocation, and such further action may be taken as is deemed appropriate, including a recommendation for prosecution under section 35 (A) of the Criminal Code (18 U.S.C. 80).

(3) *Sales of tin.* No person shall hereafter sell or deliver tin to any tube manufacturer or tube user if he knows, or has reason to believe, that such tin is to be used in violation of the terms of this Order.

(4) *Communications to Office of War Production Board.* All reports required to be filed hereunder and all communications concerning this Order, shall, unless otherwise directed, be addressed to: War Production Board, Washington, D. C. Ref.: M–115.

(5) *Effect of other Orders.* Except as provided in paragraph (c) (2) above, insofar as any other order of the Director of Priorities or the Director of Industry Operations heretofore or hereafter issued limits or curtails to a greater extent than herein provided the use of any material used in the production of tubes, the limitations of such other order shall control.

(6) *Effective date.* This Order shall take effect immediately and shall continue in force until amended or terminated by the Director of Industry Operations. (P.D. Reg. 1, as amended, 6 F.R. 6680; W.P.B. Reg. 1, Jan. 26, 1942, 7 F.R. 561 E.O. 9024, 7 F.R. 329; E.O. 9040, 7 F.R. 527; sec. 2 (a), Pub. Law 671, 76th Cong., as amended by Pub. Law 89, 77th Cong.)

Issued this 1st day of April 1942.

J. S. KNOWLSON,
Director of Industry Operations.

EXHIBIT A

WAR PRODUCTION BOARD
DIVISION OF INDUSTRY OPERATIONS
Social Security Building
Washington, D. C.

TUBE USER'S CERTIFICATE

Certificate required by Paragraph (e), subparagraph (1) of Conservation Order M–115. One copy of this certificate is to be delivered to each tube manufacturer from whom the tube user purchases tubes and is to cover all purchases present and future, so long as such Conservation Order, in its present form or as it may be amended from time to time, remains in effect.

(Tube user's address) (Date)

In accordance with paragraph (e), subparagraph (1) of Conservation Order M–115 of the War Production Board designed to conserve the amount of tin used in collapsible tubes, the undersigned hereby certifies—and this shall constitute a certification to the War Production Board—that the undersigned is familiar with the terms of said Conservation Order, and any and all amendments thereto, and that the undersigned will not use any tubes purchased from

---
(Name of tube manufacturer)

(Address of tube manufacturer)

in violation of the terms of said Order and amendments.

(Legal name of tube user)
By ---
(Authorized official)

(Title of official reporting)

Section 35A of the U. S. Criminal Code (18 U.S.C.A. 80) makes it a criminal offense to make a false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

EXHIBIT B

WAR PRODUCTION BOARD
DIVISION OF INDUSTRY OPERATIONS
Social Security Building
Washington, D. C.

RETAILER'S CERTIFICATE

Certificate required by paragraph (e), subparagraph (2) of Conservation Order M–115. One copy of this certificate is to be delivered to each distributor from whom the retailer purchases tubes and is to cover all purchases present and future, so long as such Conservation Order, in its present form or as it may be amended from time to time, remains in effect.

(Retailer's address) (Date)

In accordance with paragraph (e), subparagraph (2) of Conservation Order M–115 of the War Production Board designed to conserve the amount of tin used in collapsible tubes, the undersigned hereby certifies—and this shall constitute a certification to the War Production Board—that the undersigned is familiar with the terms of said Conservation Order, and any and all amendments thereto, and that the undersigned will not use any tubes purchased from

---
(Name of tube manufacturer or distributor)

(Address of tube manufacturer of distributor)

in violation of the terms of said order and amendments.

(Legal name of retailer)
By---
(Authorized official)

(Title of official reporting)

Section 35A of the U. S. Criminal Code (18 U.S.C.A. 80) makes it a criminal offense to make a false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

Table I—(Class I Tubes)

1. Medicinal and pharmaceutical ointments and other preparations extemporaneously compounded or dispensed in manufactured form by pharmacists on legally constituted prescriptions of physicians, dentists, or veterinarians.

2. Ointments and other preparations for ophthalmic use.
3. Solutions for hypodermic injections.
4. Sulfonamide ointment and blood plasma.
5. Diagnostic extracts (allergens).
6. Pile pipes.

Table II—(Class II Tubes)

1. (a) Medicinal and pharmaceutical ointments not included in Table I; (b) preparations which are intended for introduction into body orifices (nasal, vaginal, rectal, surgical jelly, etc.), not included in Table I.

Table III—(Class III Tubes)

1. Dental cleansing preparations.
2. Shaving preparations.

[F. R. Doc. 42-2897; Filed, April 1, 1942; 11:50 a. m.]

PART 1149—IMPORTED EGYPTIAN COTTON

CONSERVATION ORDER M-117

The fulfillment of requirements for the defense of the United States has created a shortage in the supply of imported Egyptian cotton for defense, for private account and for export; and the following Order is deemed necessary and appropriate in the public interest and to promote the national defense:

§ 1149.1 *Conservation order M-117*—(a) *Applicability of Priorities Regulation No. 1.* This Order and all transactions affected thereby are subject to the provisions of Priorities Regulation No. 1 (Part 944), as amended from time to time, except to the extent that any provision hereof may be inconsistent therewith, in which case the provisions of this Order shall govern.

(b) *Definitions.* For the purposes of this Order, (1) "Person" means any individual, partnership, association, business trust, corporation, governmental corporation or agency, or any organized group of persons, whether incorporated or not.

(2) "Import" means to transport in any manner into the continental United States from any foreign country, and for purposes of this Order Egyptian cotton shall be deemed imported into the United States from the time it is released from the bonded custody of the United States Bureau of Customs.

(3) "Egyptian cotton" means cotton of the following specifications:

Giza—7:
Grade—"Good to Fully Good" and better.
Staple—Nothing below "Good" staple.
Sakha—4.
Sudan.
Giza—26 (Malaki).
Giza—29 (Karnak).
Grade—"Fully Good" and better.
Staple—Nothing below "Good" staple.

in accordance with recognized Egyptian standards of grading.

(c) *Restrictions on sales, deliveries and the use of Egyptian cotton hereafter imported into the United States.* Unless specifically authorized by the Director of Industry Operations, no person shall hereafter use, sell or deliver any Egyptian cotton hereafter imported into the United States except for the purpose of filling the following categories of orders:

(1) Defense orders.
(2) Orders for cotton to be used in the manufacture of sewing thread.

(d) *Purchase order certificate.* No person shall sell or deliver any Egyptian cotton hereafter imported into the United States unless there is endorsed on the purchase order therefor a certificate from the purchaser signed by such purchaser or by a person authorized to sign for such purchase, in substantially the following form:

The undersigned hereby certifies to his vendor and to the War Production Board, subject to the provisions of section 35 (A) U. S. Criminal Code, that the cotton to be delivered on this purchase order is to be used for one or more of the purposes specified in Conservation Order M-117 and for no other purpose.

Company

By ---
Signature of authorized person

Title

Date

(e) *Appeal.* Any person affected by this Order who considers that compliance therewith would work an exceptional and unreasonable hardship upon him, or that it would result in a degree of unemployment which would be unreasonably disproportionate compared with the amount of imported Egyptian cotton conserved, or that compliance with this Order would disrupt or impair a program of conversion from nondefense to defense work, may appeal to the War Production Board by letter or telegram, Reference M-117, setting forth the pertinent facts and the reason he considers he is entitled to relief. The Director of Industry Operations may thereupon take such action as he deems appropriate.

(f) *Reports.* All persons affected by this Order shall execute and file with the War Production Board such reports and questionnaires as may be required by said Board from time to time.

(g) *Records.* All persons affected by this Order shall keep and preserve for not less than two years accurate and complete records concerning inventories, production and sales.

(h) *Communications to the War Production Board.* All reports required to be filed hereunder, and all communications concerning this Order, shall, unless otherwise directed, be addressed to: War Production Board, Washington, D. C. Ref: M-117.

(i) *Violations.* Any person who wilfully violates any provision of this Order, or who by any act or omission falsifies records to be kept or information to be furnished pursuant to this Order, may be prohibited from receiving further deliveries of any material subject to allocation and such further action may be taken as is deemed appropriate, including a recommendation for prosecution under section 35 (A) of the Criminal Code (18 U.S.C. 80).

(j) *Effective date.* This Order shall take effect immediately. (P.D. Reg. 1, as amended, 6 F.R. 6680; W.P.B. Reg. 1, 7 F.R. 561, E.O. 9024, 7 F.R. 329; E.O. 9040, 7 F.R. 527; sec. 2 (a), Pub. Law 671, 76th Cong., as amended by Pub. Law 89, 77th Cong.)

Issued this 1st day of April 1942.

J. S. KNOWLSON,
Director of Industry Operations.

[F. R. Doc. 42-2895; Filed, April 1, 1942; 11:49 a. m.]

Chapter XI—Office of Price Administration

PART 1301—MACHINE TOOLS

ORDER NO. 1 UNDER REVISED PRICE SCHEDULE NO. 67 [1]—NEW MACHINE TOOLS

On March 20, 1942, Niagara Machine & Tool Works, Buffalo, New York, filed a request for an adjustment in the maximum prices of four machine tools in the same series with the #310 Power Squaring Shear, the maximum price of which had been established by Amendment No. 1 to Revised Price Schedule No. 67, effective March 16, 1942. As a result, Amendment No. 4 to Revised Price Schedule No. 67 was issued, effective March 23, 1942, providing, among other things, for a corresponding adjustment in the maximum prices of other machine tools in the line represented by the #310 Power Squaring Shear after approval in writing by the Office of Price Administration. Due consideration has been given to the request, and an Opinion in support of this Order No. 1 has been issued simultaneously herewith and has been filed with the Division of the Federal Register. For the reason set forth in the Opinion, under the authority vested in the Price Administrator, and in accordance with Procedural Regulation No. 1,[2] issued by the Office of Price Administration, it is hereby ordered:

§ 1301.101 *Niagara Machine & Tool Works.* (a) Niagara Machine & Tool Works, may sell, offer to sell, deliver or transfer the new machine tools set forth in paragraph (b) of this section, and any person may buy, offer to buy, or accept delivery of such new machine tools from Niagara Machine & Tool Works, at prices not in excess of those stated therein.

(b) *Power Squaring Shears.*

	Maximum prices
No. 34	$2,185.00
No. 36	2,296.00
No. 38	2,434.00
No. 312	2,932.00

(c) Unless the context otherwise requires, the definitions set forth in

[1] 7 F.R. 1337, 2105, 2472, 2473.
[2] 7 F.R. 971.

§ 1301.58 of Revised Price Schedule No. 67 shall apply to the terms used herein. (Pub. Law 421, 77th Cong.)

This Order No. 1 shall become effective March 31, 1942.

Issued this 30th day of March 1942.

JOHN E. HAMM,
Acting Administrator.

[F. R. Doc. 42-2867; Filed, March 31, 1942; 5:00 p. m.]

PART 1306—IRON AND STEEL

AMENDMENT NO. 2 TO REVISED PRICE SCHEDULE NO. 49[1]—RESALE OF IRON AND STEEL PRODUCTS

A statement of the considerations involved in the issuance of this Amendment has been prepared and is issued simultaneously herewith.[2]

Section 1306.154 (a), § 1306.156 and the headnote thereof, § 1306.157 (b) (ii) and (m) thereof, § 1306.159 (b), (g) (1), (h) (1) (ii), (2), (3), (4), (6), (k) (2), (5), and (1) are amended to read as follows, and a new clause is added at the end of § 1306.159 (k) (1), § 1306.159 (k) (7) is redesignated as § 1306.159 (k) (8) and amended, and a new § 1306.159 (k) (7) is added as set forth below:

§ 1306.154 *Records and reports*—(a) *Records of sales, inventory and orders.* Every seller of iron or steel products shall, after December 15, 1941, keep for inspection by the Office of Price Administration for a period of not less than one year, complete and accurate records of:

(1) Each such purchase or sale, showing the date thereof, the name and address of the buyer or the seller, the price paid on each purchase for resale and received on each resale, the quality and grade, the sizes, and the quantity of each product purchased or sold, and

(2) The tonnage of iron or steel products on hand and on order, classified by product, in a manner similar to that of Form PD 83 as issued by the War Production Board. A copy of Form PD 83 may be had upon request by applying to the War Production Board.

§ 1306.156 *Petitions for amendment, adjustment or exception.* (a) Persons seeking any modification of this Revised Price Schedule No. 49 or an adjustment or exception not provided herein, may file petitions for amendment in accordance with the provisions of Procedural Regulation No. 1, issued by the Office of Price Administration.

(b) A petition for exception may be filed by any seller requesting permission to sell high cost inventory, title to which was acquired prior to December 15, 1941, at prices in excess of the maximums established in this Revised Price Schedule No. 49. Such petitions must prove that serious financial losses will be imposed on the seller by sale at ceiling prices.

(c) A petition for exception may be filed in any case in which the petitioner claims that the gross margin on a particular product between mill ceiling price and the resale ceiling price as established by this Revised Price Schedule No. 49 is inadequate. The petition must demonstrate:

(1) That the spread is less than that which existed on April 16, 1941; and

(2) That circumstances such as the withdrawal of special competitive prices by the mill, the grant of an amendment or an exception under Revised Price Schedule No. 6 by the Office of Price Administration to the supplying mill, the use of the emergency basing point by the mill, etc., have led to the inadequacy of the gross spread; and

(3) That the sale of the particular product, at ceiling prices, has a serious effect on the over-all financial position of the petitioner.

The Office of Price Administration will consider the above factors, together with such other economic and financial data as may be relevant, in determining the merits of such a petition.

(d) A petition for adjustment may be filed requesting that the April 16, 1941 price of any seller be raised to conform to the listed or published price in any listed city, or the lowest combination price in an unlisted city.

(e) In any case in which extraordinary and unusual freight absorption is compelled by the exigencies of the war program, such as priority rating, allocation or the like, and the situation is not covered by § 1306.159 (f) of this Revised Price Schedule No. 49, a petition for exception may be filed by the seller; Upon such petition, the Administrator may grant, together with such other relief as may be proper, the right to price f. o. b. warehouse.

§ 1306.157 *Definitions.*

* * * * *

(b) * * *

(ii) "Seller" as defined herein shall not include retail merchants who make retail sales of merchant wire products, all types of roofing and siding, or pipe to consumers in small quantities specifically exempted by this Revised Price Schedule No. 49: *Provided,* That on sales made in quantities larger than those specifically exempted from the maximum price provisions of this Revised Price Schedule No. 49, such retail merchants shall keep records, file prices and observe maximum established prices.

* * * * *

(m) "Mixed carload" means a bona fide "mixed carload" as that term is commonly understood in the trade, containing not less than three product items of steel in substantial quantities and of different type, such as strip, plates, sheets or bars, *or* a carload of one or more product classifications containing not less than 10 items of different sizes and/or gauge, each item to be of a specific size and gauge, and no item of which shall be more than 8000 lbs.

§ 1306.159 *Appendix A: Domestic and export maximum prices for iron and steel products.*

* * * * *

(b) *Maximum delivered prices in places other than the city or free delivery area in which the seller is located.* (1) In any other place than a city or free delivery area in which the seller is located, the maximum delivered price for that seller shall be the seller's prices in the city or free delivery area in which the seller is located (as established in § 1306.159 (a)) and less-than-carload freight to destination: *Provided,* That such maximum prices may not exceed the lowest delivered price that is the result of a combination of (i) country price of any seller named in § 1306.160, Appendix B, herein (or as may hereinafter be issued under "General Provisions," § 1306.159 (m) (3)) located in any listed city and (ii) less-than-carload freight from such listed city. It is provided, however, that in no case shall the maximum delivered price on a sale for delivery into a listed city exceed published listed prices, extras and deductions, as set out in § 1306.160, Appendix B, in effect as of April 16, 1941, for that city or free delivery area.

* * * * *

(g) *Maximum delivered prices on the Pacific Coast and for Gulf Ports: special filing provisions.* (1) Maximum delivered prices on the Pacific Coast shall be as provided in Revised Price Schedule No. 49: *Provided,* That: (i) on the following products and no others, the following sums may be added to the maximum delivered prices as otherwise established in Price Schedule No. 49:

	Cents per cwt.
Plates, universal and sheared, carbon, and floor plates	75
Hot rolled sheets, carbon	65
Cold rolled sheets	65
Hot rolled bars and small shapes, carbon (concrete reinforcing bars are not included in this classification)	20
Galvanized, galvannealed and enameling sheets	45
Hot rolled strip, carbon	25
Structural shapes, carbon	45

(ii) On all pipe and tubular products covered by § 1306.159 (i) of this Revised Price Schedule No. 49, the rail and water rates to Pacific Coast ports, referred to in that section, may be disregarded and published all-rail freight rates may be used in computing maximum prices.

* * * * *

(h) *Maximum delivered prices for specific wire products and all types of roofing and siding.* (1) * * *

* * * * *

(ii) Carload freight from the governing mill basing point to warehouse, or carload freight from the emergency basing point where use of the latter is permissible under Revised Price Schedule No. 6, not to exceed, however, the actual freight paid. (Where the emergency basing point is used as a basis for computation, records of such sales and of the manner of computing price shall be

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[1] 7 F.R. 1300, 1836, 2132, 2473.

[2] Filed with the Division of the Federal Register; requests for copies should be addressed to the Office of Price Administration.

kept available for inspection for a period of one year.)

* * * * *

(2) The maximum delivered price of less-than-carload quantities of standard wire nails, annealed smooth wire, and galvanized smooth wire sold from the city or free delivery area in which the seller is located to any other place shall be the price (as computed above) in the city of free delivery area in which the seller is located and less-than-carload freight from such city.

(3) On all merchant wire products, and all types of roofing and siding, whether covered by subparagraphs (1), (2) or (4) of this paragraph, extras charged by jobbers and dealers on merchant wire products, and all types of roofing and siding, shall be the same as regular published mill extras in effect as of April 16, 1941, and deductions customarily granted as of April 16, 1941, shall be deducted in computing the maximum delivered price. On standard wire nails, annealed smooth wire and galvanized smooth wire, for which maximum prices are established above, deductions shall be in the same ratio to these maximum prices as they were to prices existing on April 16, 1941.

(4) The maximum delivered domestic prices for less-than-carload quantities of all other merchant wire products (including poultry netting, screen cloth and hardware cloth) and all types of roofing and siding shall be computed as otherwise provided in paragraphs (a), (b) and (c) of this section. *Provided,* That in no case need the price of any seller, listed or otherwise, in the city or free delivery area in which he is located, fall below the aggregate of:

(i) mill straight carload price to jobbers

(ii) carload freight from the governing mill basing point to warehouse, or carload freight from the emergency basing point where use of the latter is permissible under Revised Price Schedule No. 6, not to exceed, however, the actual freight paid; (where the emergency basing point is used as a basis for computation, records of such sales and of the manner of computing price shall be kept available for inspection for a period of one year) and,

(iii) a mark-up of 20% of the aggregate of subdivisions (i) and (ii) of this subparagraph.

Provided further, That in no case shall the maximum delivered price of merchant wire products or all types of roofing and siding sold to any place other than the city or free delivery area in which the seller is located exceed the seller's maximum price, as herein established, plus less-than-carload freight from the city in which such seller is located.

* * * * *

(6) The maximum delivered prices of merchant wire products and all types of roofing and siding established in this Section do not govern retail sales of such products by retail merchants (such as retail hardware stores, retail lumber yards, or mail order houses) to consumers: *Provided,* That sales by any person of nails in quantities of more than 25 kegs or other merchant wire products and all types of roofing and siding in quantities of more than 2,500 pounds shall be so governed.

(k) *Maximum delivered prices for shipments in carload quantities, and in certain specific cases.* (1) * * * *Provided,* That direct mill shipments of special name steel differing in chemical analysis and quality from standard mill specifications, and on which the seller takes responsibility as to performance, may be sold, after approval by the Office of Price Administration as to qualification in this respect, at prices not to exceed the seller's April 16, 1941 prices established for such shipment.

(2) Notwithstanding the provisions of any other section of Revised Price Schedule No. 49, shipments of mixed carloads as defined in § 1306.157 (m) out of warehouse stock may be sold at a price not in excess of the maximum delivered price for a 500 lb. quantity minus a discount of not less than $7 per net ton. In all cases where relevant, carload freight rather than less-than-carload shall be used in computing ceiling prices applicable to mixed carloads.

* * * * *

(5) On shipments of 40,000 lbs. or more by a seller at one time or on one order, (except that on rails this provision shall apply to a minimum quantity of 56,000 lbs.) the maximum delivered price shall be the mill price as established under Revised Price Schedule No. 6, except insofar as specific exception is made to this clause in other subparagraphs of this paragraph (k): *Provided,* That on presentation to the Office of Price Administration of a certificate that such shipment has been found by the War Production Board (i) to be necessary in the interests of the war effort and (ii) to be of such a character that shipment from a mill is not practicable or possible, a maximum delivered price will be established by the Office of Price Administration.

* * * * *

(7) Notwithstanding the provisions of any other section of this Revised Price Schedule No. 49, in any case in which a manufacturer of fabricated items not covered by this Revised Price Schedule No. 49 has on hand an inventory of iron or steel products which cannot be used by him because of curtailed production resulting from governmental order, such inventory may be sold at a maximum price not in excess of the mill ceiling price, delivered to the seller's plant, plus a charge of not more than $2 per ton for handling. The maximum price as so established may be f. o. b. the place at which such inventory is located.

(8) Where any five shipments or less to one customer in any semi-monthly period total 40,000 lbs. or more, records shall be filed with the Office of Price Administration covering all shipments made to such customer during said semi-monthly period on or before the 15th day of the next succeeding month. This filing shall be supported by affidavit and shall include names and addresses of the buyers, full description of products shipped, and prices charged including all extras for each quantity and size. (Copies of invoices accompanied by affidavit will be considered proper filing under this requirement). This provision shall not be construed to allow shipment of carload amounts at any other than the mill ceiling price, except as specifically permitted elsewhere in this Revised Price Schedule No. 49.

(l) *Maximum delivered prices for seconds, wasters, off-grade and used products.* The maximum delivered price for all off-grades, seconds, wasters, and used iron or steel products (not covered by any other Price Schedule) after such shearing, cutting, straightening, bending or pickling as may be necessary, shall be computed in the same manner used by the seller on April 16, 1941: *Provided,* That such prices do not exceed the maximum delivered price for comparable iron or steel products of prime quality.

§ 1306.158a *Effective dates of amendments.*

* * * * *

(b) Amendment No. 2 (§§ 1306.154 (a), 1306.156, 1306.157 (b) (ii), (m), 1306.159 (b), (g) (1), (h) (1) (ii), (2), (3), (4), and (5), (k) (1), (2), (5), (7), and (8)) to Revised Price Schedule No. 49 shall become effective March 31, 1942.

(Pub. Law 421, 77th Cong.)

Issued this 31st day of March 1942.

JOHN E. HAMM,
Acting Administrator.

[F. R. Doc. 42-2866; Filed, March 31, 1942; 4:59 p. m.]

PART 1315—RUBBER AND PRODUCTS AND MATERIALS OF WHICH RUBBER IS A COMPONENT

AMENDMENT NO. 3 TO REVISED TIRE RATIONING REGULATIONS[1]—TIRES AND TUBES, RETREADING AND RECAPPING OF TIRES, AND CAMELBACK

A new subparagraph (6) is added to § 1315.801 (f) as set forth below:

Transfers and Deliveries of New Tires and Tubes, Retreaded or Recapped Tires and Camelback

§ 1315.801 *Permitted and prohibited transfers of new tires and tubes.*

* * * * *

(f) *Other transfers.*

* * * * *

(6) *Transactions to effectuate the Tire Return Plan or otherwise relating to the Defense Supplies Corporation.* (i) Any person may transfer any tires or tubes to the Defense Supplies Corporation.

(ii) The Defense Supplies Corporation may transfer tires or tubes only to a person who has entered into an agreement with the Defense Supplies Corporation as of January 28, 1942, for the sale of tires or tubes: *Provided, however,* That this subparagraph (6) shall not be construed to forbid any transfer au-

[1] 7 F.R. 1027, 1089, 2106, 2107.

thorized by § 1315.804 or any other transfer which the Defense Supplies Corporation may be authorized to make by the Office of Price Administration.

(iii) Any manufacturer may transfer legal title to any private brand new passenger-type tires or tubes manufactured by him to the person who is the owner of such brand. No other transfer of these private brand new passenger-type tires or tubes may be made to such person except in accordance with the provisions of paragraphs (d), (e) and (f) of this section; excepting, however, that when a manufacturer has private brand tires or tubes in his possession which can be more safely and economically stored in premises owned or controlled by the owner of the brand, the manufacturer may apply in writing to the Office of Price Administration, Washington, D. C., for permission to store such tires or tubes in such premises. Under such permission no such tires or tubes shall be stored in premises in which the functions of a retailer are performed.

(iv) The legal title to any new passenger tires or tubes may be transferred by any person who has entered into an agreement with the Defense Supplies Corporation as of January 28, 1942, to any retailer, distributor, wholesaler or manufacturer to whom such tires or tubes were consigned, if the tires or tubes were in the possession of such consignee on March 1, 1942.

§ 1315.1199a *Effective dates of amendments.*

* * * * *

(c) Amendment No. 3 (§ 1315.801 (f) (6)) to Revised Tire Rationing Regulations shall become effective March 31, 1942.

(Pub. Law 421, 77th Cong., OPM Supp. Order No. M-15c, WPB Directive No. 1, Supp. Directive No. 1B, 6 F.R. 6792; 7 F.R. 121, 350, 434, 473, 562, 925, 1009, 1026)

Issued this 30th day of March 1942.

JOHN E. HAMM,
Acting Administrator.

[F. R. Doc. 42-2864; Filed, March 31, 1942; 4:59 p. m.]

PART 1341 CANNED AND PRESERVED FOODS

AMENDMENT NO. 1 TO TEMPORARY MAXIMUM PRICE REGULATION NO. 6 [1]—CANNED FRUITS AND VEGETABLES

A statement of the considerations involved in the issuance of this Amendment has been prepared and is issued simultaneously herewith.[2]

Section 1341.1 (b) (1), (2) is amended and a new § 1341.13 is added, as set forth below.

§ 1341.1 *Maximum price for canned fruits and vegetables.*

* * * * *

(b) (1) The maximum price for each kind, grade, brand, and container size of the following canned fruits and vegetables shall be the highest price at which the seller sold or contracted to sell for delivery within sixty days such kind of canned fruits and vegetables of the same grade, brand, container size, and in a similar amount to a similar purchaser in the locality of the delivery point during the period February 23, 1942 to February 27, 1942, inclusive:

Canned Fruits

Apples.
Apple Sauce.
Apricots.
Cherries, Red Sour Pitted.
Cherries, Sweet.
Fruit Cocktail.
Fruit Salad.
Peaches.
Pears.
Pineapples.
Plums.

Canned Vegetables

Asparagus.
Beans (all dry varieties).
Beans (lima).
Beans, Snap (green and wax).
Beets.
Carrots.
Corn.
Peas.
Pumpkin.
Sauerkraut.
Spinach.
Sweet Potatoes.
Tomatoes.
Tomato Catsup.
Tomato Juice.

(2) If the maximum price cannot be determined under paragraph (b) (1), the maximum price shall be the highest price at which the seller sold or contracted to sell for delivery within sixty days such kind of canned fruits or vegetables during the period February 23, 1942 to February 27, 1942, inclusive, making a price adjustment for differences in grade, brand, container size, type of purchaser, and locality of delivery point, equivalent to the differences customarily charged by the seller during a period of ninety days preceding March 2, 1942.

* * * * *

§ 1341.13 *Effective dates of amendments.* (a) Amendment No. 1 (§ 1341.1 (b) (1), (2) and § 1341.13) to Temporary Maximum Price Regulation No. 6 shall become effective March 31, 1942. Until such date Temporary Maximum Price Regulation No. 6 continues in effect as if not amended by amendment No. 1.

(Pub. Law 421, 77th Cong.)

Issued this 31st day of March 1942.

JOHN E. HAMM,
Acting Administrator.

[F. R. Doc. 42-2865; Filed, March 31, 1942; 4:59 p. m.]

PART 1355—LEAD

AMENDMENT NO. 1 TO REVISED PRICE SCHEDULE NO. 70 [1]—LEAD SCRAP MATERIALS; SECONDARY LEAD, INCLUDING CALKING LEAD; BATTERY LEAD SCRAP; AND PRIMARY AND SECONDARY ANTIMONIAL LEAD

A statement of the considerations involved in the issuance of this Amendment has been prepared and is issued simultaneously herewith.[2]

Sections 1355.66 (a) (1), 1355.67 (a) (1) and (d) (3), and 1355.68 (a) (1) are amended as set forth below; and a new § 1355.63a is added as set forth below:

§ 1355.66 *Appendix C: Maximum prices for battery lead plates purchased and sold by brokers*—(a) *Maximum prices for brokerage sales*—(1) *Single shipments of 8,000 pounds or more.* The maximum price per pound of the gross (wet) weight, f. o. b. point of shipment, shall be determined for each such shipment according to the following formula:

6.65¢
multiplied by

the percentage of lead and antimony in the plates as determined by the smelter-purchaser thereof by a sample wet assay upon receipt of the shipment at his plant

less
1.10¢

* * * * *

§ 1355.67 *Appendix D: Maximum prices for battery lead scrap purchased by smelters or battery manufacturers*—(a) *Battery lead plates, with or without lugs attached*—(1) *Single shipments of 8,000 pounds or more.* The maximum price per pound of the gross (wet) weight, f. o. b. point of shipment, shall be determined for each such shipment according to the following formula:

6.65¢
multiplied by

the percentage of lead and antimony in the plates as determined by the smelter-purchaser or battery manufacturer thereof by a sample wet assay upon receipt of the shipment at his plant

less
1.10¢

* * * * *

(d) *Sample assay.*

* * * * *

(3) The assay in every other respect shall be performed in a manner consistent with the purpose of determining accurately the lead and antimony content of the shipment of battery lead plates.

§ 1355.68 *Appendix E: Maximum prices for primary and secondary antimonial lead*—(a) *Maximum prices.*

* * *

(1) *Sold or shipped, delivered, or carried away in carload lots.* The maximum price per pound, f. o. b. point of shipment, for any grade or type of antimonial lead sold in pigs shall be equal to 15½ cents a pound for the antimony content plus the base price of lead for the remainder.

* * * * *

§ 1355.63a *Effective dates of amendments.*

* * * * *

(b) Amendment No. 1 (§§ 1355.66 (a) (1), 1355.67 (a) (1) and (d) (3), 1355.68 (a) (1), and 1355.63a) to Revised Price

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[1] 7 F.R. 1644.

[2] The Statement of Considerations has been filed with the Division of the Federal Register.

[1] 7 F.R. 1341, 1836, 2000, 2132, 2188.

[2] Filed with the Division of the Federal Register; requests for copies should be addressed to the Office of Price Administration.

Schedule No. 70 shall become effective March 31, 1942.

(Pub. Law 421, 77th Cong.)

Issued this 31st day of March 1942.

JOHN E. HAMM,
Acting Administrator.

[F. R. Doc. 42-2882; Filed, March 31, 1942; 5:03 p. m.]

CORRECTIONS OF REVISED PRICE SCHEDULES NOS. 58 AND 84 AND MAXIMUM PRICE REGULATIONS NOS. 55, 74, 109, AND 110

In § 1410.64 (b) of Revised Price Schedule No. 58, Wool and Wool Tops and Yarns (7 F.R. 2400), "30 days" in the thirteenth line should read "70 days."

In § 1336.101 of Revised Price Schedule No. 84, Radio Receiver and Phonograph Parts (7 F.R. 2303), the headnote should read *"Maximum prices for radio receiving set and phonograph parts."*

In § 1330.61 (b) of Maximum Price Regulation No. 55, Second Hand Bags (7 F.R. 2302), the twenty-eighth item under the column headed "Quality of material" should read "2.00-2.35."

In § 1363.60 of Maximum Price Regulation No. 74, Animal Product Feedingstuffs (7 F.R. 2244), the effective date should read "March 21, 1942."

In § 1312.360 (a) (1) of Maximum Price Regulation No. 109, Aircraft Spruce (7 F.R. 2239), the line reading "1,00 ft. B. M., plus 10% of rough green" should read "1,000 ft. B. M., plus 10% of rough green."

In Maximum Price Regulation No. 110, Resale of New Household Mechanical Refrigerators (7 F.R. 2311-2315), the last two sections should be numbered 1380.110 and 1380.111, respectively.

In the first column of the table on page 2313, a superior figure 1 should appear after the head "1942 models" for the Borg-Warner Corporation.

TITLE 46—SHIPPING

Chapter I—Coast Guard: Inspection and Navigation

Subchapter K—Seamen

PART 138—RULES AND REGULATIONS FOR THE ISSUANCE OF CERTIFICATES AND CONTINUOUS DISCHARGE BOOKS

Paragraph (a) of § 138.4, *Lifeboat man,* is amended to read as follows:

§ 138.4 *Lifeboat man.* (a) An applicant, to be eligible to sit for a certificate of efficiency as lifeboat man, must furnish satisfactory evidence to the examiner that he has had the following experience:

(1) Not less than six months' sea service in the deck department or not less than twelve months' sea service in the other departments on board vessels in ocean, lake, bay, or sound services; or

(2) A graduate of a school ship approved by and conducted under rules prescribed by the Commandant, United States Coast Guard; or

(3) Two years' training at the United States Naval Academy or the United States Coast Guard Academy; or

(4) A graduate of a school ship operated by the United States Maritime Service for and on behalf of the United States Maritime Commission; or

(5) A cadet of the United States Merchant Marine Cadet Corps, who produces evidence of satisfactory completion of basic training. (R.S. 161, R.S. 4488, as amended; sec. 13, 38 Stat. 1168, as amended; 5 U.S.C. (1940 Ed.) 22, 46 U.S.C. 481, 672; E.O. 9083, 7 F.R. 1609)

R. R. WAESCHE,
Commandant, U. S. Coast Guard.

MARCH 31, 1942.

[F. R. Doc. 42-2881; Filed, April 1, 1942; 10:21 a. m.]

Notices

WAR DEPARTMENT.

[Public Proclamation No. 3]

HEADQUARTERS WESTERN DEFENSE COMMAND AND FOURTH ARMY PRESIDIO OF SAN FRANCISCO, CALIFORNIA

CONDUCT OF ENEMY ALIENS IN MILITARY AREAS

MARCH 24, 1942.

To: The people within the States of Washington, Oregon, California, Montana, Idaho, Nevada, Utah and Arizona, and the Public Generally:

Whereas by Public Proclamation No. 1,[1] dated March 2, 1942, this headquarters, there were designated and established Military Areas Nos. 1 and 2 and Zones thereof, and

Whereas by Public Proclamation No. 2,[2] dated March 16, 1942, this headquarters, there were designated and established Military Areas Nos. 3, 4, 5 and 6 and Zones thereof, and

Whereas the present situation within these Military Areas and Zones requires as a matter of military necessity the establishment of certain regulations pertaining to all enemy aliens and all persons of Japanese ancestry within said Military Areas and Zones thereof:

Now, therefor, I, J. L. DeWitt, Lieutenant General, U. S. Army, by virtue of the authority vested in me by the President of the United States and by the Secretary of War and my powers and prerogatives as Commanding General, Western Defense Command, do hereby declare and establish the following regulations covering the conduct to be observed by all alien Japanese, all alien Germans, all alien Italians, and all persons of Japanese ancestry residing or being within the Military Areas above described, or such portions thereof as are hereinafter mentioned:

1. From and after 6:00 A. M., March 27, 1942, all alien Japanese, all alien Germans, all alien Italians, and all persons of Japanese ancestry residing or being within the geographical limits of Military Area No. 1, or within any of the Zones established within Military Area No. 2, as those areas are defined and described in Public Proclamation No. 1, dated March 2, 1942, this headquarters, or within the geographical limits of the designated Zones established within Military Areas Nos. 3, 4, 5, and 6, as those areas are defined and described in Public Proclamation No. 2, dated March 16, 1942, this headquarters, or within any of such additional Zones as may hereafter be similarly designated and defined, shall be within their place of residence between the hours of 8:00 P. M. and 6:00 A. M., which period is hereinafter referred to as the hours of curfew.

2. At all other times all such persons shall be only at their place of residence or employment or traveling between those places or within a distance of not more than five miles from their place of residence.

3. Nothing in paragraph 2 shall be construed to prohibit any of the above specified persons from visiting the nearest United States Post Office, United States Employment Service Office, or office operated or maintained by the Wartime Civil Control Administration, for the purpose of transacting any business or the making of any arrangements reasonably necessary to accomplish evacuation; nor be construed to prohibit travel under duly issued change of residence notice and travel permit provided for in paragraph 5 of Public Proclamations Numbers 1 and 2. Travel performed in change of residence to a place outside the prohibited and restricted areas may be performed without regard to curfew hours.

4. Any person violating these regulations will be subject to immediate exclusion from the Military Areas and Zones specified in paragraph 1 and to the criminal penalties provided by Public Law No. 503, 77th Congress, approved March 21, 1942, entitled: "An Act to Provide a Penalty for Violation of Restrictions or Orders with Respect to Persons Entering, Remaining in, Leaving or Committing Any Act in Military Areas or Zone." In the case of any alien enemy, such person will in addition be subject to immediate apprehension and internment.

5. By subsequent proclamation or order there will be prescribed those classes of persons who will be entitled to apply for exemptions from exclusion orders hereafter to be issued. Persons granted such exemption will likewise and at the same time also be exempted from the operation of the curfew regulations of this proclamation.

6. After March 31, 1942, no person of Japanese ancestry shall have in his possession or use or operate at any time or place within any of the Military Areas 1 to 6 inclusive, as established and defined in Public Proclamations Nos. 1 and 2, above mentioned any of the following items:

(a) Firearms.

(b) Weapons or implements of war or component parts thereof.

[1] 7 F.R. 2320.
[2] 7 F.R. 2405.

(c) Ammunition.
(d) Bombs.
(e) Explosives or the component parts thereof.
(f) Short-wave radio receiving sets having a frequency of 1,750 kilocycles or greater or of 540 kilocycles or less.
(g) Radio transmitting sets.
(h) Signal devices.
(i) Codes or ciphers.
(j) Cameras.

Any such person found in possession of any of the above named items in violation of the foregoing will be subject to the criminal penalties provided by Public Law 503, 77th Congress, approved March 21, 1942, entitled: "An Act to Provide a Penalty for Violation of Restrictions or Orders with Respect to Persons Entering, Remaining in, Leaving or Committing Any Act in Military Areas or Zone."

7. The regulations herein prescribed with reference to the observance of curfew hours by enemy aliens, are substituted for and supersede the regulations of the United States Attorney General heretofore in force in certain limited areas. All curfew exemptions heretofore granted by the United States Attorneys are hereby revoked effective as of 6:00 a. m., PWT, March 27, 1942.

8. The Federal Bureau of Investigation is designated as the agency to enforce the foregoing provisions. It is requested that the civil police within the states affected by this Proclamation assist the Federal Bureau of Investigation by reporting to it the names and addresses of all person believed to have violated these regulations.

[SEAL] J. L. DEWITT,
Lieutenant General, U. S. Army, Commanding.

Confirmed:

J. A. ULIO,
Major General, The Adjutant General.

[F. R. Doc. 42-2860; Filed, April 1, 1942; 10:19 a. m.]

DEPARTMENT OF THE INTERIOR.

Bituminous Coal Division.

[Docket No. A-1310]

PETITION OF DISTRICT BOARD NO. 4 FOR THE ESTABLISHMENT OF PRICE CLASSIFICATIONS AND MINIMUM PRICES FOR THE COALS OF CERTAIN MINES IN DISTRICT NO. 4, AND FOR REVISION OF THE PRICE CLASSIFICATIONS AND MINIMUM PRICES OF THE COALS IN SIZE GROUPS 1 AND 2 OF MINE INDEX NO. 2631, FOR ALL SHIPMENTS EXCEPT TRUCK

[Docket No. A-1310 Part II]

PETITION OF DISTRICT BOARD NO. 4 FOR AN ADDITIONAL SHIPPING POINT FOR MINE INDEX NO. 161 OF BELMONT WHEELING COAL COMPANY

MEMORANDUM OPINION AND ORDER SEVERING DOCKET NO. A-1310, AND NOTICE OF AND ORDER FOR HEARING IN DOCKET NO. A-1310 PART II

An original petition pursuant to section 4 II (d) of the Bituminous Coal Act of 1937 was filed by District Board 4 in Docket No. A-1310 proposing price classifications and minimum prices for the coals of certain mines. As indicated by an Order issued today, an adequate showing has been made of the necessity for the granting of the relief requested, except as to the coals of Mine Index No. 161 of Belmont Wheeling Coal Company.

As to this mine, the petition proposed that the price classifications and minimum prices effective for rail shipments from Fairpoint on the Baltimore & Ohio Railroad also be made applicable to shipments from St. Clairsville, Ohio, on the Wheeling and Lake Erie Railroad.

Now, therefore, it is ordered, That the portion of Docket No. A-1310 relating to the coals of Mine Index No. 161 of Belmont Wheeling Coal Company be severed from the remainder of the docket, and that it be designated hereafter as Docket No. A-1310 Part II.

It is further ordered, That a hearing in Docket No. A-1310 Part II be held under the applicable provisions of the Act and the rules of the Division on April 23, 1942, at 10 o'clock in the forenoon of that day, at a hearing room of the Bituminous Coal Division, 734 Fifteenth Street NW., Washington, D. C. On such day the Chief of the Records Section in Room 502 will advise as to the room where such hearing will be held.

It is further ordered, That Edward J. Hayes or any other officer or officers of the Division duly designated for that purpose shall preside at the hearing in such matter. The officers so designated to preside at such hearing are hereby authorized to conduct said hearing, to administer oaths and affirmations, examine witnesses, take evidence, continue the hearing from time to time, and to prepare and submit to the Director proposed findings of fact and conclusions and the recommendation of an appropriate order in the premises, and to perform all other duties in connection therewith authorized by law.

Notice of such hearing is hereby given to all parties herein and to persons or entities having an interest in these proceedings and eligible to become a party herein. Any person desiring to be admitted as a party to this proceeding may file a petition of intervention in accordance with the rules and regulations of the Bituminous Coal Division for proceedings instituted pursuant to section 4 II (d) of the Act, setting forth the facts on the basis of which the relief in the original petition is supported or opposed or on the basis of which other relief is sought. Such petition of intervention shall be filed with the Bituminous Coal Division on or before April 18, 1942.

All persons are hereby notified that the hearing in the above-entitled matter and any orders entered therein, may concern, in addition to the matters specifically alleged in the petition, other matters necessarily incidental and related thereto, which may be raised by amendment to the petition, petitions of intervention or otherwise, or which may be necessary corollaries to the relief, if any, granted on the basis of this petition.

The matter concerned herewith is in regard to making the price classifications and minimum prices effective for the coals of Mine Index No. 161 of the Belmont Wheeling Coal Company for rail shipment on the Baltimore and Ohio Railroad from Fairpoint, Ohio, applicable to such shipments on the Wheeling & Lake Erie Railroad from St. Clairsville, Ohio.

Dated: March 31, 1942.

[SEAL] DAN H. WHEELER,
Acting Director.

[F. R. Doc. 42-2889; Filed, April 1, 1942; 11:16 a. m.]

APPLICATIONS FOR REGISTRATION AS DISTRIBUTORS

An application for registration as a distributor has been filed by each of the following and is under consideration by the Acting Director:

Name and address	*Date application filed*
Fred A. Burton Coal Co., 322 S. Michigan Ave., Chicago, Ill.	Mar. 16, 1942
Henry Geisel, Jr., 2337 N. 2d St., Harrisburg, Pa.	Mar. 19, 1942
The Ohio & Pennsylvania Coal Co., Union Commerce Bldg., Cleveland, Ohio	Mar. 13, 1942

Any district board, code member, distributor, the Consumers' Counsel, or any other interested person, who has pertinent information concerning the eligibility of any of the above-named applicants for registration as distributors under the provisions of the Bituminous Coal Act and the Rules and Regulations for the Registration of Distributors, is invited to furnish such information to the Division on or before April 27, 1942. This information should be mailed or presented to the Bituminous Coal Division, 734 15th Street NW., Washington, D. C.

Dated: March 31, 1942.

[SEAL] DAN H. WHEELER,
Acting Director.

[F. R. Doc. 42-2890; Filed, April 1, 1942; 11:16 a. m.]

[Docket No. 599-FD]

APPLICATION OF CLEARFIELD BITUMINOUS COAL CORPORATION FOR EXEMPTION

ORDER SUSPENDING EFFECTIVE DATE OF PREVIOUS ORDER

Under date of March 21, 1942, the Acting Director issued an order herein denying the Application for Exemption from section 4 of the Act filed by the Clearfield Bituminous Coal Corporation and dismissing the application of the New York Central Railroad Company. It was provided that this order would be effective ten days from the date of issue.

On March 31, 1942, the New York Central Railroad Company filed an Application for Exemption from the provisions of section 4 of the Act. In connection with its operation of certain mines heretofore owned and operated by the Clearfield Bituminous Coal Corporation, it reported that under date of March 30, 1942, the Railroad Company was entering into a lease with the Clear-

field Bituminous Coal Corporation under which the coal appurtenant to the presently operated mines of the Clearfield Corporation were to be leased to the applicant, such lease to continue until the exhaustion of all the merchantable and mineable coal in the coal lands leased. At the same time the Railroad Company purchased from the Clearfield Corporation all its mining machinery and equipment formerly used in the mining of coal operated by said Corporation.

Under the Order issued in General Docket No. 17 dated October 17, 1937, applications for exemption that are filed for other than new operations after November 17, 1939, are presumed not to have been filed in good faith. Since the Application of New York Central for Exemption of its operations under the new lease arrangement was filed on this day and since it is not possible to determine immediately whether or not such application has been filed in good faith, it seems appropriate to suspend the effective date of the Order of March 21 until such time as the Acting Director passes upon the issue of whether the application filed this day has been filed in good faith.

Now, therefore, it is ordered, That the Order of March 21, 1942, entered in this proceeding is amended by suspending the effective date of that Order until further order of the Acting Director.

Dated: March 31, 1942.

[SEAL] DAN H. WHEELER,
Acting Director.

[F. R. Doc. 42-2891; Filed, April 1, 1942; 11:16 a. m.]

[Docket No. A-1193]

PETITION OF DISTRICT BOARD NO. 11 FOR THE ESTABLISHMENT OF PRICE CLASSIFICATIONS AND MINIMUM PRICES FOR THE COALS OF CERTAIN MINES IN DISTRICT NO. 11 FOR ALL SHIPMENTS EXCEPT TRUCK, PURSUANT TO SECTION 4 II (d) OF THE BITUMINOUS COAL ACT OF 1937

ORDER DISMISSING PETITION AND REVOKING TEMPORARY RELIEF

The original petitioner having moved that the proceeding in the above-entitled matter be dismissed without prejudice, and that the temporary relief therein granted be revoked, and there having been no opposition thereto;

Now, therefore, it is ordered, That the original petition in the above-entitled matter be dismissed without prejudice and that the temporary relief therein granted be revoked.

Dated: March 31, 1942.

[SEAL] DAN H. WHEELER,
Acting Director.

[F. R. Doc. 42-2892; Filed, April 1, 1942; 11:17 a. m.]

DEPARTMENT OF AGRICULTURE.

Agricultural Marketing Administration.

DETERMINATION[1] PURSUANT TO SECTIONS 608c (9) AND (17), TITLE 7, U.S.C., 1940 EDITION, WITH RESPECT TO THE ISSUANCE OF AMENDMENT NO. 2 TO ORDER NO. 4, AS AMENDED, REGULATING THE HANDLING OF MILK IN THE GREATER BOSTON, MASSACHUSETTS, MARKETING AREA

Pursuant to the powers conferred upon the Secretary of Agriculture by Public Law No. 10, 73d Congress, as amended and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended, there was issued, effective August 1, 1941, "Order No. 4, As Amended", regulating the handling of milk in the Greater Boston, Massachusetts, marketing area.

A marketing agreement regulating the handling of milk in the Greater Boston, Massachusetts, marketing area was tentatively approved on July 10, 1941.

Subsequently, amendment No. 1 to "Order No. 4, As Amended", was made effective on October 28, 1941.

There being reason to believe that the execution of amendments to the tentatively approved marketing agreement and of further amendments to the order regulating the handling of milk in the Greater Boston, Massachusetts, marketing area would tend to effectuate the declared policy of said act, notice was given, on January 14, 1942, of a public hearing, which was held on January 19 at Montpelier, Vermont, and on January 20 and 26 at Boston, Massachusetts, on certain proposals to effectuate such further amendments. At such times and places all interested parties were afforded an opportunity to be heard on these proposals.

After such hearing, and after the tentative approval by the Secretary of Agriculture of the said amendments to the tentatively approved marketing agreement, handlers of more than fifty (50) percent of the volume of milk covered by the order, as amended, refused or failed to sign the marketing agreement.

It is hereby determined, pursuant to the powers conferred upon the Secretary of Agriculture by Public Law No. 10, 73d Congress, as amended and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended, that:

1. The refusal or failure of said handlers to sign said marketing agreement tends to prevent the effectuation of the declared policy of the act;

2. The issuance of amendment No. 2 to Order No. 4, as amended, is the only practical means pursuant to such policy of advancing the interests of the producers of milk which is produced for sale in the Greater Boston, Massachusetts, marketing area; and

3. The issuance of amendment No. 2 to Order No. 4, as amended, is approved or favored by over two-thirds of the producers who, during the month of November 1941, said month having been determined by the Secretary to be a representative period, were engaged in the production of milk for sale in said area.

Done at Washington, D. C., this 28th day of March 1942. Witness my hand and the seal of the Department of Agriculture.

[SEAL] CLAUDE R. WICKARD,
Secretary of Agriculture.

Approved: March 28, 1942,

FRANKLIN D ROOSEVELT
The President of the United States.

[F.R. Doc. 42-2868; Filed, March 31, 1942; 5:39 p. m.]

[1] See also Title 7, Chapter IX, *supra.*

NOTICE OF REPORT AND OPPORTUNITY TO FILE WRITTEN EXCEPTIONS WITH RESPECT TO PROPOSED AMENDMENTS TO A TENTATIVELY APPROVED MARKETING AGREEMENT, AS AMENDED, AND A MARKETING ORDER, AS AMENDED, REGULATING THE HANDLING OF MILK IN THE LOUISVILLE, KENTUCKY, MARKETING AREA

Pursuant to § 900.12 (a) of the General Regulations of the Surplus Marketing Administration, United States Department of Agriculture, governing proceedings to formulate marketing orders and marketing agreements, notice is hereby given of the filing with the hearing clerk of this report of the Administrator of the Agricultural Marketing Administration, with respect to proposed amendments to a tentatively approved marketing agreement, as amended, and to a marketing order, as amended, regulating the handling of milk in the Louisville, Kentucky, marketing area. Interested parties may file exceptions to the report with the Hearing Clerk, Room 0312, Department of Agriculture, Washington, D. C., not later than the close of business on the 10th day after publication of this notice in the FEDERAL REGISTER.

Preliminary Statement

The proceedings were initiated by the Surplus Marketing Administration upon receipt of a petition dated September 29, 1941, from the Falls Cities Cooperative Milk Producers Association for a public hearing on proposals to revise upward the class prices of milk. A proposal to introduce an individual-handler pooling plan was received from one handler. Following this request the Dairy Division, Surplus Marketing Administration, proposed, in addition, that the outside market price provision with respect to Class

I milk be eliminated. After consideration of the proposals notice of the hearing was issued on November 8, 1941, and the hearing was convened on November 18, 1941. On December 31, 1941, the Falls Cities Cooperative Milk Producers Association submitted a petition to reopen the public hearing to consider certain additional proposals (1) to revise the classification of milk, and (2) to change the method of determining class prices from a butter formula to a formula based on the prices paid by manufacturing milk plants in or near the local milkshed. The Louisville Milk Dealers Association proposed also certain changes in the classification of milk and a class price formula based on the prices of nearby manufacturing milk plants. In addition, the market administrator for the Louisville, Kentucky, marketing area proposed a revision of the method of computing the quantities of milk in each class. After consideration of these additional proposals notice of reopening of the hearing was issued on February 19, 1942, and the hearing was reconvened on February 26, 1942, to consider the proposed amendments included in the hearing notice issued on November 8, 1941, and such additional proposals.

The major issues developed in the hearing revolved around the levels at which the class prices should be fixed, the type of formula to be used in arriving at such prices, the products to be included in each class of milk, the method of computing the quantities of milk disposed of in the various classes, the elimination of outside market prices on Class I milk, and the introduction of an individual-handler pool plan to replace the market-wide pooling arrangement.

It is concluded from the record that (1) the Class I and Class II prices should be fixed in terms of stated differentials over the average of prices paid by specified nearby manufacturing plants, with elimination of the outside market Class I price provision; (2) buttermilk and skimmed milk drinks should be reclassified from Class II milk to Class I milk; (3) the method of computing the quantities of milk in each class should be revised; and (4) the market-wide pooling arrangement should be continued in effect.

The following proposed amendments are recommended as the detailed means by which these conclusions can be carried out.

This report filed at Washington, D. C., the 1st day of April 1942.

[SEAL] ROY F. HENDRICKSON,
Administrator.

PROPOSED AMENDMENTS TO THE MARKETING ORDER, AS AMENDED, REGULATING THE HANDLING OF MILK IN THE LOUISVILLE, KENTUCKY, MARKETING AREA

These proposed amendments are prepared by the Administrator pursuant to § 900.12 (a) of the General Regulations, Surplus Marketing Administration, and have not received the approval of the Secretary of Agriculture.

It is found upon the evidence introduced at the public hearing held in Louisville, Kentucky, on November 18, 1941, and on February 26, 1942, such findings being in addition to the findings made upon the evidence introduced at the hearings on the order, and being in addition to the other findings made prior to or at the time of the original issuance of the order (which findings are hereby ratified and affirmed save only as such findings are in conflict with the findings hereinafter set forth):

Findings

1. That prices calculated to give milk produced for sale in the marketing area a purchasing power equivalent to the purchasing power of such milk as determined pursuant to sections 2 and 8c (50 Stat. 246; 7 U.S.C. 1940 ed. 602, 608c), are not reasonable in view of the available supplies of feeds, the price of feeds, and other economic conditions which affect the supply of and demand for such milk and that the minimum prices set forth in this amendment to said order are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest; and that the fixing of such prices does not have for its purpose the maintenance of prices to producers above the levels which are declared in the act to be the policy of Congress to establish;

2. That the order, as amended by this amendment, regulates the handling of milk in the same manner as and is applicable only to handlers defined in a marketing agreement, as amended, upon which a hearing has been held; and

3. That the issuance of this amendment to the order, as amended, and all of the terms and conditions of the order, as so amended, tends to effectuate the declared policy of the act.

Provisions

1. Delete § 946.3 and substitute therefor the following:

§ 946.3 *Classification of milk*—(a) *Milk to be classified.* Milk of a producer caused to be delivered by a cooperative association which is a handler to a plant from which no milk is disposed of in the marketing area and all milk received by each handler, including milk produced by him, if any, at plants from which milk is disposed of in the marketing area, shall be classified by the market administrator in the classes set forth in paragraph (b) of this section, subject to the provisions of paragraphs (c), (d), and (e) of this section. In the classification of milk as required in paragraph (b) of this section, the responsibility of each handler shall be as follows:

(1) In establishing the classification of any milk received by a handler, the burden rests upon the handler to account for the milk and to prove to the market administrator that such milk should not be classified as Class I milk.

(2) With respect to milk, or skimmed milk, disposed of to another handler, the burden rests upon the handler who first received the milk to account for the milk, or skimmed milk, and to prove to the market administrator that such milk, or skimmed milk, should not be classified as Class I milk.

(b) *Classes of utilization.* The classes of utilization of milk shall be as follows:

(1) Class I milk shall be all milk and skimmed milk disposed of as milk, buttermilk, and milk drinks, whether plain or flavored, and all milk not specifically accounted for as Class II milk and Class III milk.

(2) Class II milk shall be all milk disposed of as cream (for consumption as cream), including any cream product disposed of in fluid form which contains less than the minimum butterfat content required for fluid cream, and as creamed cottage cheese.

(3) Class III milk shall be all milk accounted for (a) as used to produce a milk product other than those specified in Class I milk and Class II milk, and (b) as actual plant shrinkage, but not to exceed 2 percent of the total receipts of milk from producers, including the handler's own production.

(c) *Interhandler and nonhandler transfers of milk.* Milk and skimmed milk disposed of by a handler to another handler or to a person who is not a handler but who distributes milk or manufactures milk products shall be Class I milk, and cream so disposed of shall be Class II milk: *Provided,* That if the selling handler and the purchaser, on or before the 5th day after the end of the delivery period, each furnish to the market administrator similar signed statements that such milk or cream was disposed of in another class, such milk or cream shall be classified accordingly, subject to verification by the market administrator.

Milk and skimmed milk disposed of from a handler's plant to soda fountains, bakeries, restaurants, and other retail food establishments which dispose of milk for both fluid and other uses shall be Class I milk. Cream disposed of from a handler's plant to soda fountains, bakeries, restaurants, and other retail food establishments which dispose of cream for both fluid and other uses shall be Class II milk.

(d) *Computation of milk in each class.* For each delivery period the market administrator shall compute the amount of milk in each class, as defined in paragraph (b) of this section, as follows:

(1) Determine the total pounds of milk (a) received from producers, including the handler's own production; (b) produced by him, if any; (c) received from other handlers, if any; (d) received from other sources, if any; (e) received as emergency milk, if any; and (f) add together the resulting amounts.

(2) Determine the total pounds of butterfat received as follows: (a) multiply the weight of the milk received from producers by its average butterfat test; (b) multiply the weight of the milk produced by him, if any, by its average butterfat test; (c) multiply the weight of the milk received from other handlers, if any, by its average butterfat test; (d) multiply the weight of the milk received from other sources, if any, by its average butterfat test; (e) multiply the weight

of emergency milk received by its average butterfat test; and (f) add together the resulting amounts.

(3) Determine the total pounds of Class I milk as follows: (a) convert to quarts the quantity of milk and skimmed milk disposed of in the form of milk, buttermilk, and milk drinks, whether plain or flavored, and multiply by 2.15; (b) multiply the result by the average butterfat test thereof; and (c) if the quantity of butterfat so computed when added to the pounds of butterfat in Class II milk and Class III milk computed pursuant to subparagraphs (4) (b) and (5) (b) of this paragraph is less than the total pounds of butterfat received, computed in accordance with subparagraph (2) of this paragraph, an amount equal to the difference shall be divided by 4 percent and added to the quantity of milk determined pursuant to (a) of this subparagraph.

(4) Determine the total pounds of Class II milk as follows: (a) multiply the actual weight of each of the products of Class II milk by its average butterfat test, (b) add together the resulting amounts, and (c) divide the result obtained in (b) of this subparagraph by 4 percent.

(5) Determine the total pounds of Class III milk as follows: (a) multiply the actual weight of each of the several products of Class III milk by its average butterfat test; (b) add together the resulting amounts; (c) subtract the total pounds of butterfat in Class I milk and Class II milk computed pursuant to subparagraphs (3) (b) and (4) (b) of this paragraph and the total pounds of butterfat computed pursuant to (b) of this subparagraph from the total pounds of butterfat computed pursuant to subparagraph (2) of this paragraph, which resulting quantity shall be allowed as plant shrinkage for the purposes of this paragraph (but in no event shall such plant shrinkage allowance exceed 2 percent of the total receipts of butterfat from producers by the handler) and shall be added to the result obtained in (b) of this subparagraph; and (d) divide the result obtained in (b) of this subparagraph by 4 percent.

(6) Determine the classification of milk received from producers as follows:

(i) Subtract from the total pounds of milk in each class the total pounds of milk which were received from other handlers and used in such class.

(ii) Subtract from the total pounds of milk in each class the total pounds of milk, except emergency milk, which were received from sources other than producers and handlers and used in such class.

(iii) Subtract pro rata out of the remaining milk in each class the quantity of milk of the handler's own production.

(iv) Subtract from the total pounds of milk in each class an amount which shall be computed as follows: divide the total pounds of milk in each class by the total pounds of milk in all classes and multiply the percentage for each class by the total pounds of emergency milk received.

(e) *Reconciliation of utilization of milk by classes with receipts of milk from producers.* (1) If the total utilization of milk in the various classes for any handler, as computed pursuant to paragraph (d) of this section, is less than the receipts of milk from producers, the market administrator shall increase the total pounds of milk in Class III for such handler by an amount equal to the difference between the receipts of milk from producers and the total utilization of milk by classes for such handler.

(2) If the total utilization of milk in the various classes for any handler, as computed pursuant to paragraph (d) of this section, is greater than the receipts of milk from producers, the market administrator shall decrease the total pounds of milk in Class III for such handler by an amount equal to the difference between the receipts of milk from producers and the total utilization of milk by classes for such handler.

2. Delete § 946.4 and substitute therefor the following:

§ 946.4 *Minimum prices*—(a) *Class prices.* Subject to the provisions of paragraphs (b) and (c) of this section, each handler shall pay producers, at the time and in the manner set forth in § 946.8, not less than the following prices per hundredweight for the respective quantities of milk in each class computed pursuant to § 946.3 (d) and (e):

(1) *Class I milk.* The price for Class I milk shall be the price for Class III milk, determined under subparagraph (3) of this paragraph, plus the following amount:

Delivery period:	*Amount (dollars per cwt.)*
April through July	0.95
August through March	1.05

(2) *Class II milk.* The price for Class II milk shall be the price for Class III milk determined under subparagraph (3) of this paragraph, plus the following amount:

Delivery period:	*Amount (dollars per cwt.)*
April through July	0.45
August through March	.50

(3) *Class III milk.* The price for Class III milk shall be the price resulting from the following computation by the market administrator: determine, on the basis of milk of 4 percent butterfat content, the arithmetic average of the basic, or field, prices per hundredweight reported by, and ascertained by the market administrator to have been paid by, the following concerns at the manufacturing plants or places listed herein below, for ungraded milk received during the delivery period:

Concern	*Location*
Ewing-Von Allmen Co.	Louisville, Ky.
Armour Creameries	Elizabethtown, Ky.
Armour Creameries	Springfield, Ky.
Kraft Cheese Company	Salem, Ind.
Ewing-Von Allmen Co.	Corydon, Ind.
Ewing-Von Allmen Co.	Madison, Ind.
Producers' Dairy Marketing Association.	Orleans, Ind.

Provided, That if the price so determined is less than the price computed by the market administrator in accordance with the following formula, such formula price shall be used: subtract 2 cents from the average wholesale price per pound of 92-score butter in the Chicago market as reported by the United States Department of Agriculture for the delivery period during which such milk was received, add 30 percent thereof, and multiply the resulting amount by 4.

(b) *Price of Class I milk for relief distribution.* For Class I milk (1) delivered by a handler to the residence of a relief client certified by a recognized relief agency, (2) charged to such an agency, or (3) disposed of by a handler under a program approved by the Secretary for the sale or disposition of milk to low-income consumers, including persons on relief, such handler shall pay not less than the price for Class III milk, plus 12 cents.

(c) *Butterfat differential to handlers.* If any handler has received milk from producers containing more or less than 4 percent butterfat, each handler shall add or deduct, per hundredweight of milk, for each one-tenth of 1 percent of butterfat above or below 4 percent, an amount computed as follows: to the average wholesale price per pound of 92-score butter in the Chicago market, as reported by the United States Department of Agriculture for the delivery period during which the milk was received, add 20 percent, and divide the result by 10.

3. Delete from § 946.7 (a) the cross-reference figure "§ 946.3 (d) (5)" and substitute therefor the cross-reference figure "§ 946.3 (d) and (e)."

4. Delete from § 946.7 (a) the cross-reference figure "§ 946.3 (d) (5) (iii)" and substitute therefor the cross-reference figure "§ 946.3 (d) (6) (iv)."

5. Add at the end of § 946.7 (a) the following:

For the hundredweight of milk involved in any adjustment made pursuant to § 946.3 (e), the handler shall be debited or credited, as the case may be, at the price per hundredweight computed as follows: to the average wholesale price per pound of 92-score butter in the Chicago market, as reported by the United States Department of Agriculture for the delivery period during which such milk was received, add 20 percent thereof, and multiply the resulting amount by 4.

6. Renumber subparagraphs (2), (3), (4), and (5) of § 946.7 (b) as subparagraphs (3), (4), (5), and (6) of such paragraph.

7. Add as § 946.7 (b) (2) the following:

(2) Deduct, if the average butterfat content of all milk received from producers is in excess of 4 percent, or add, if the average butterfat content of all milk received from producers is less than 4 percent, the total value of the butterfat differential applicable pursuant to § 946.8 (f).

PROPOSED MARKETING AGREEMENT REGULATING THE HANDLING OF MILK IN THE LOUISVILLE, KENTUCKY, MARKETING AREA, PREPARED BY THE ADMINISTRATOR OF THE AGRICULTURAL MARKETING ADMINISTRATION, UNITED STATES DEPARTMENT OF AGRICULTURE

This proposed marketing agreement is prepared by the Administrator pursuant

to § 900.12 (a) of the General Regulations, Surplus Marketing Administration, and has not received the approval of the Secretary of Agriculture.

Whereas, the parties hereto, in order to effectuate the declared policy of the said act, desire to enter into this marketing agreement, as amended.

Now, therefore, the parties hereto agree as follows:

1. The term and provisions of § 946.1 through § 946.11 of Order No. 46, as Amended Regulating the Handling of Milk in the Louisville, Kentucky, Marketing Area, issued December 3, 1941, and as amended by Amendment No. 1, to said order, as amended, issued, effective August 1, 1941, and as amended by Amendment No. 2 to said order, as amended, effective ————, 1942, shall be the terms and provisions of this marketing agreement, as amended, with the exception that wherever the word "order" is used the words "marketing agreement" shall be substituted therefor; and

2. The following sections shall also be a part of the marketing agreement, as amended, in addition to § 946.1 through § 946.11 of said order, as amended:

§ 946.12 *Liability*—(a) *Liability of handlers.* The liability of the handlers hereunder is several and not joint and no handler shall be liable for the default of any other handler.

§ 946.13 *Counterparts and additional parties*—(a) *Counterparts of marketing agreement, as amended.* This agreement, as amended, may be executed in multiple counterparts, and when one counterpart is signed by the Secretary all such counterparts shall constitute, when taken together, one and the same instrument, as if all such signatures were obtained in one original.

(b) *Additional parties to the marketing agreement, as amended.* After this agreement, as amended, first takes effect, any handler may become a party to this agreement, as amended, if a counterpart hereof is executed by him and delivered to the Secretary. This agreement, as amended, shall take effect as to such new contracting party at the time such counterpart is delivered to the Secretary, and the benefits, privileges, and immunities conferred by this agreement, as amended, shall then be effective as to such new contracting party.

§ 946.14 *Record of milk handled during the month of February 1942, and authorization to correct typographical errors*—(a) *Record of milk handled during the month of February 1942.* The undersigned certifies that he handled during the month of February 1942, ——— hundredweight of milk covered by this agreement, as amended, and disposed of within the marketing area.

(b) *Authorization to correct typograpical errors.* The undersigned hereby authorizes ————————, Chief, Dairy and Poultry Branch, Agricultural Marketing Administration, to correct any typographical errors which may have been made in this marketing agreement, as amended.

§ 946.15 *Signature of parties.* In witness whereof, the contracting handlers, acting under the provisions of the act, for the purposes and subject to the limitations herein contained and not otherwise, have hereunto set their respective hands and seals.

[F. R. Doc. 42-2902; Filed, April 1, 1942; 11:52 a. m.]

CIVIL AERONAUTICS BOARD.

[Orders, Serial No. 1631, Docket Nos. 436 and 722]

IN THE MATTER OF THE APPLICATIONS OF WEST COAST AIRLINES, INC., AND SOUTHWEST AIRWAYS COMPANY FOR TEMPORARY OR PERMANENT CERTIFICATES OF PUBLIC CONVENIENCE AND NECESSITY AUTHORIZING SCHEDULED AIR TRANSPORTATION OF MAIL AND PROPERTY BY THE PICKUP METHOD

ORDER DENYING MOTIONS IN PART, LIMITING ISSUES, CONSOLIDATING APPLICATIONS AND ASSIGNING PROCEEDING FOR HEARING

West Coast Airlines, Inc., and Southwest Airways Company having filed applications under section 401 of the Civil Aeronautics Act of 1938, as amended, for temporary or permanent certificates of public convenience and necessity authorizing scheduled air transportation of mail and property by the pickup method in the States of Washington, California, and Oregon, being Docket Nos. 436 and 722, respectively; and

The Board having reason to believe that part of the services proposed by the applicants may be of special significance to the military services;

It is ordered: (1) That the above-entitled applications be, and the same are, consolidated and assigned for public hearing on Monday, April 6, 1942, in Washington, D. C., before Examiner J. Francis Reilly; (2) that the issues be limited to the determination of the (a) fitness, willingness and ability to provide the proposed services on a temporary basis only, (b) availability of equipment and personnel, (c) cost of rendering the proposed services, and (d) effect of the inauguration of the proposed services on existing carriers; and (3) that the motions of Western Air Lines, Inc., Transcontinental & Western Air, Inc., Southwest Airways Company and United Air Lines Transport Corporation filed herein be denied except as hereinbefore ordered.

By the Civil Aeronautics Board.

[SEAL] DARWIN CHARLES BROWN, *Secretary.*

[F. R. Doc. 42-2883; Filed, April 1, 1942; 10:53 a. m.]

SECURITIES AND EXCHANGE COMMISSION.

[File No. 70-433]

IN THE MATTER OF PUBLIC SERVICE COMPANY OF INDIANA, INC.

ORDER GRANTING REQUEST FOR POSTPONEMENT OF SCHEDULED HEARING

At a regular session of the Securities and Exchange Commission, held at its office in the City of Philadelphia, Pa., on the 30th day of March, A. D. 1942.

The Commission having on March 24, 1942, issued its Notice Regarding Filing of Amendment, and Order For Hearing thereon, in the above captioned matter; the hearing having been scheduled for April 6, 1942, at 10 o'clock in the forenoon of that day; applicant having made a written request that the date for such scheduled hearing be postponed from April 6, 1942, to some later date because April 6, 1942, is the day for the regular annual meeting of its stockholders and board of directors; the Commission having considered the request and finding it appropriate under the circumstances that it be granted:

It is ordered, That the hearing in this matter originally scheduled for April 6, 1942, be, and the same hereby is, postponed to April 9, 1942, at 10 o'clock in the forenoon of that day. All other aspects of our original order are to remain unaffected by this present action.

By the Commission.

[SEAL] FRANCIS P. BRASSOR, *Secretary.*

[F. R. Doc. 42-2870; Filed, April 1, 1942; 10:17 a. m.]

[File No. 37-28]

IN THE MATTER OF ATLANTIC UTILITY SERVICE CORPORATION

ORDER POSTPONING DATE OF HEARING

At a regular session of the Securities and Exchange Commission, held at its office in the City of Philadelphia, Pa., on the 30th day of March, A. D. 1942.

The Commission having on January 29, 1942, issued its Notice of Filing and Order for Hearing pursuant to section 13 of the Public Utility Holding Company Act of 1935 in the above matter, which order fixed a date for a hearing in this matter, and which hearing, after several postponements at the request of various parties herein, is now set for April 3, 1942; and

Atlantic Utility Service Corporation having requested adjournment of said hearing on the ground that the attorney in immediate charge of the conduct of said proceedings has been called into active service with the armed forces of the United States and is required to commence such active service prior to the date now set for said hearing, and said Atlantic Utility Service Corporation hav-

ing requested a postponement of two weeks for the purpose of enabling it to arrange for substitute counsel in said matter; and

The Commission having considered the request and being of the opinion that it should be granted:

It is ordered, That the date of the hearing in this matter be and is hereby postponed to April 17, 1942, at 10 A. M. at the offices of the Securities and Exchange Commission, 18th and Locust Streets, Philadelphia, Pennsylvania, in such room as may be designated by the hearing room clerk in room 318, before the officer of the Commission previously designated herein.

By the Commission.

[SEAL] FRANCIS P. BRASSOR, *Secretary.*

[F. R. Doc. 42-2871; Filed, April 1, 1942; 10:17 a. m.]

[File No. 70-312]

IN THE MATTER OF MICHIGAN GAS AND ELECTRIC COMPANY

NOTICE OF FILING AND ORDER FOR HEARING

At a regular session of the Securities and Exchange Commission, held at its office in the City of Philadelphia, Pa., on the 28th day of March, A. D. 1942.

Notice is hereby given that a declaration or application (or both) has been filed with this Commission pursuant to the Public Utility Holding Company Act of 1935 by Michigan Gas and Electric Company. All interested persons are referred to said application or declaration, which is on file in the office of this Commission, for a statement of the transactions therein proposed, which are summarized as follows:

Michigan Gas and Electric Company, a subsidiary of The Middle West Corporation, a registered holding company, proposes, pursuant to authorization to be obtained from the Michigan Public Service Commission, to issue and sell (a) $3,500,000 principal amount of its First Mortgage Bonds, Series A, 3¾%, dated March 1, 1942, due March 1, 1972, and (b) $750,000 principal amount of its 3½% Debentures, dated March 1, 1942, due serially September 1, 1943–March 1, 1952. The Company proposes to apply the proceeds therefrom to the redemption of $1,725,800 principal amount of its outstanding First Mortgage and Refunding 6% Gold Bonds, Series A, due September 1, 1943, and $2,535,200 principal amount of its outstanding First Mortgage 5% Gold Bonds, series B, due December 1, 1956.

The 3¾% bonds are proposed to be sold at 102.74 and accrued interest, $1,750,000 principal amount to The John Hancock Mutual Life Insurance Company of Boston, Mass., and $1,750,000 principal amount to The Northwestern Mutual Life Insurance Company, Milwaukee, Wisconsin. The $750,000 principal amount of 3½% debentures are proposed to be sold to the Travelers Insurance Company, Hartford, Connecticut, at par and accrued interest.

Said sales of Securities are being privately negotiated with the proposed purchasers, there having been no resort to competitive bidding in connection therewith.

Additional information concerning the proposed transactions is to be filed by amendment.

It appearing to the Commission that it is appropriate in the public interest and the interest of investors and consumers that a hearing be held with respect to said matters, and that said application shall not be granted nor said declaration permitted to become effective except pursuant to further order of this Commission:

It is ordered, That a hearing on such matters under the applicable provisions of said Act and rules of the Commission thereunder be held on April 29, 1942, at 10:00 o'clock, A. M., E. W. T., at the offices of the Securities and Exchange Commission, 18th and Locust Streets, Philadelphia, Pa. On such day the hearing-room clerk in Room 318 will advise as to the room where such hearing will be held. At such hearing, cause shall be shown why such declaration or application (or both) shall become effective or shall be granted. Notice is hereby given of said hearing to the above-named declarant or applicant and to all interested persons, said notice to be given to said declarant or applicant by registered mail and to all other persons by publication in the FEDERAL REGISTER.

It is further ordered, That Richard Townsend or any other officer or officers of the Commission designated by it for that purpose shall preside at the hearings in such matter. The officer so designated to preside at any such hearing is hereby authorized to exercise all powers granted to the Commission under section 18 (c) of said Act and to a trial examiner under the Commission's Rules of Practice.

It is further ordered, That without limiting the scope of issues presented by said declaration or application (or both) otherwise to be considered in this proceeding, particular attention will be directed at the hearing to the following matters and questions:

(1) Whether the issue and sale of said securities are solely for the purpose of financing the business of the Company;

(2) Whether the issue and sale of said securities have been expressly authorized by the state Commission of the State in which said company is organized and doing business;

(3) Whether it is appropriate in the public interest or for the protection of investors or consumers to impose as a term or condition to the granting of the exemption of said issue and sale from the provisions of section 6 (a) of said Act one or more of the following:

(a) A requirement that the sale of such securities shall be effected pursuant to the public invitation of sealed, written proposals for the purchase or underwriting thereof, in accordance with the provisions of paragraphs (b) and (c) of Rule U-50 under said Act;

(b) A restriction in the payment of dividends on one or more of the company's classes of stock; and/or

(c) Any other terms or conditions which may be appropriate in the premises.

By the Commission.

[SEAL] FRANCIS P. BRASSOR, *Secretary.*

[P. R. Doc. 42-2872; Filed, April 1, 1942; 10:17 a. m.]

[File No. 54-43]

IN THE MATTER OF GREAT LAKES UTILITIES COMPANY

ORDER APPROVING PLAN AS AMENDED

At a regular session of the Securities and Exchange Commission, held at its office in the City of Philadelphia, Pa., on the 31st day of March 1942.

Great Lakes Utilities Company, a Delaware corporation and a registered holding company, having filed an application pursuant to section 11 of the Public Utility Holding Company Act of 1935 for approval of an Amended Plan to effectuate the provisions of section 11 of the Act, which Amended Plan is more fully described in the Findings and Opinion hereinafter referred to; and

The applicant having requested that the Commission apply to the United States District Court for the Eastern District of Pennsylvania pursuant to the provisions of section 11 of the Act to enforce and carry out, in accordance with the provisions of subsection (f) of section 18 of said Act, the terms and provisions of the Amended Plan; and

A hearing on said application concerning such Amended Plan having been held before an officer of the Commission after appropriate notice which included notice by mail to all bondholders whose last-known addresses were available to Great Lakes Utilities Company, and to all holders of Voting Trust Certificates who are the beneficiaries of the common stock of record of Great Lakes Utilities Company, and said notice having been mailed postage prepaid ten days prior to the date of the aforesaid hearing, and notice also having been given by publication in the FEDERAL REGISTER; an opportunity for hearing having been given to said Great Lakes Utilities Company, to all bondholders, and to all holders of Voting Trust Certificates of the common stock and to any other persons desiring to be heard at said hearing; no security holders or other persons having appeared at said hearing in opposition to said application concerning the said Amended Plan; a trial examiner's report, submission of requested findings of fact to the Commission, proposed findings of fact by counsel for the Commission, briefs and oral argument having been waived; the record in this matter having been examined by the Commission, and the Commission having made and filed its Findings and Opinion herein, attached hereto and made a part hereof as if fully incorporated herein; and

The Commission having found that said Amended Plan is necessary to effectuate the provisions of Section 11 of said Public Utility Holding Company Act of 1935, and is fair and equitable to the persons affected thereby;

It is ordered, Pursuant to said Act and section 11 thereof that said Amended Plan be, and the same is hereby approved, subject to the following conditions:

1. That the order shall be without prejudice to the right of any bondholders to be heard by the Court as to any issues arising during the extension period, concerning the program of liquidation by the management and any request for an additional extension of the maturity date of the bonds.

2. That Great Lakes shall mail a copy of the Findings and Opinion to each of its security holders, together with a copy of such Notice of Hearing as the Court may direct shall be given prior to the date of hearing thereof set by the Court.

3. That the Commission hereby reserves jurisdiction to determine such matters as are expressly referred to in the Commission's Findings and Opinion referred to herein and to consider such further matters, enter such further orders, and make such other findings, and to take such other actions as may be appropriate in the premises in connection with such Amended Plan, or as may be appropriate if such Plan is not carried out with reasonable promptness.

4. Rule U-9 shall not apply to Great Lakes Utilities Company, or to any subsidiary company thereof, or company of which Great Lakes Utilities Company is a subsidiary holding company, prior to the final consummation of the plan, or any modification thereof, which we may hereafter approve.

By the Commission.

[SEAL] FRANCIS P. BRASSOR, *Secretary.*

[F. R. Doc. 42-2873; Filed, April 1, 1942; 10:18 a. m.]

[Files No. 59-41, 70-312]

IN THE MATTER OF MICHIGAN GAS AND ELECTRIC COMPANY, AND THE MIDDLE WEST CORPORATION

NOTICE OF AND ORDER FOR HEARING AND ORDER TO SHOW CAUSE

At a regular session of the Securities and Exchange Commission held at its offices in the City of Philadelphia, Pa., on the 28th day of March, A. D., 1942.

The Commission having data in its official files tending to establish the following matters:

1. Michigan Gas and Electric Company (hereinafter sometimes called "Michigan") is a corporation organized under the laws of the State of Michigan and maintains a principal executive office at 101 West Second Street, Ashland, Wisconsin. Michigan is an electric utility company, a gas utility company, and a public utility company, within the meaning of sections 2 (a) (3), 2 (a) (4), and 2 (a) (5) of the Public Utility Holding Company Act of 1935, and is a subsidiary of The Middle West Corporation (hereinafter sometimes called "Middle West"), a registered holding company under the Act.

2. The balance sheet of Michigan at November 30, 1941 shows utility plant as follows:

Tangible property	$7,485,372
Intangibles	836,655
	8,322,027

Included in the tangible property are the following items:

Remaining original cost of property acquired as entireties	$1,000,000
Remaining additional cost to the company of tangible property acquired as entireties	544,431

The company represents that the balance of tangible property is stated at original cost. Intangibles are defined by the company as the cost in cash and securities of utility plant in excess of the amount of tangible property, and include $470,000 "for par value of capital stock issued to organizers."

3. The capitalization and surplus of Michigan, according to its balance sheet at November 30, 1941, are as follows:

Long term debt:			
First mortgage and refunding (now first mortgage) gold bonds, series A, 6%, due September 1, 1943, less $9,000 reacquired		$1,725,800	
First mortgage gold bonds, series B, 5%, due Dec. 1, 1956, less $30,000 reacquired		2,535,200	
Total long term debt			$4,261,000
Capital stock:			
Prior lien stock, cumulative:			
7% Series, 9,480 shares, par value $100 per share	$948,000		
$6 Non-par series, 4,878 shares; entitled on involuntary liquidation to $100 per share, aggregating $487,800; stated value	439,020		
Total		$1,387,020	
Preferred stock, cumulative:			
6% Series, 3,733 shares, par value $100 per share	$373,300		
$6 Non-par series, 804 shares; stated and liquidating value	80,400		
Total		453,700	
Common stock:			
Par value $100 per share, 15,560 shares	$1,556,000		
Without par value, 2,500 shares; stated value	187,500		
Total		1,743,500	
Total capital stock			3,584,220
Earned surplus			236,624
Total capitalization and surplus			8,081,844

4. Cumulative dividends on prior lien and preferred stocks not declared or reserved for in the accounts of Michigan at November 30, 1941, amounted to $474,351, of which amount $7,969 was applicable to dividends on prior lien stocks being paid currently. The balance of accrued and unpaid dividends, totalling $466,382, was equivalent to $16.5375 per share on the 7% prior lien stock, $14.175 per share on the $6 prior lien stock, $53 per share on the 6% preferred stock, and $53 per share on the $6 preferred stock. Dividend arrears are not reflected in the above statement of earned surplus.

5. Each share of the 7% prior lien stock and of the $6 prior lien stock ranks equally as to dividends and in liquidation. Dividend arrears are payable before any dividends may be paid on the preferred or common stock. Each share of prior lien stock has a liquidating value of $100 plus unpaid dividends, payable before any payments on the preferred and common stocks.

6. Each share of the 6% preferred stock and of the $6 preferred stock ranks equally as to dividends and in liquidation. Dividend arrears are payable before any dividends may be paid on the common stock. Each share of preferred stock has a liquidating value of $100 plus unpaid dividends, payable after the prior lien stock and before any payments on the common stock.

7. Each share of the $100 par value common stock and of the no par value common stock ranks equally as to dividends and in liquidation.

8. Each share of common stock and presently, because of dividend arrears, each share of preferred and of prior lien stock, is possessed of one vote.

9. The ownership and voting power of the several classes of stock on November 30, 1941, were as follows:

	Shares owned by Middle West	Shares owned by Halsey, Stuart & Co.	Shares owned by the public	Total
Prior lien stock, cumulative:				
7%—$100 par value			9,480	9,480
$6—no par value	4,878			4,878
Preferred stock, cumulative:				
6%—$100 par value			3,733	3,733
$6—no par value			801	801
Common stock:				
$100 par value	11,670	3,890		15,560
No par value	1,250	1,250		2,500
Total capital stock	17,798	5,140	14,017	36,955
Ratio of voting control at November 30, 1941	*Percent* 48.16	*Percent* 13.91	*Percent* 37.93	*Percent* 100.00

10. Based upon the balance sheet figure for plant account at November 30, 1941, the ratio of long term debt to net property is 57.22%. After eliminating from plant account according to the balance sheet (a) the excess cost (there stated at $544,431) of properties acquired as entireties over their original cost, and (b) intangibles, there stated at $836,655, a total of $1,381,086, the ratio of long term debt to net tangible property would be 70.2%.

11. According to the Michigan's balance sheet at November 30, 1941, the reserve for depreciation in the amount of $874,976 represented 10.51% of the gross property account aggregating $8,322,027.

12. Michigan was incorporated under the laws of the State of Michigan on October 1, 1904 as the Portage Lake Gas and Coke Company. In 1906, the corporate name was changed to Houghton County Gas and Coke Company. In 1917, after acquisition of control of Middle West Utilities Company, predecessor of The Middle West Corporation, the corporate name was changed to Michigan Gas and Electric Company.

13. From 1917 until the first default in dividends on Michigan's preferred stock in 1933, Middle West Utilities Company had 100 per cent voting control of Michigan through ownership of all Michigan's common stock. Thereafter Middle West Utilities Company and, since its reorganization in 1935, The Middle West Corporation, have had, and Middle West now has, working control of Michigan through ownership of the dominant block of voting stock.

The Commission having been further informed by its Public Utilities Division of data tending to establish the following matters:

14. In 1916, all of the capital stock of Michigan, consisting of $500,000 par value of common stock, was held by Houghton County Gas Company, a holding company. In 1916 and 1917 the Middle West Utilities Company system acquired all of the outstanding stock, $129,000 of the bonds, and $32,531 of the notes payable of Michigan and all of the outstanding stock of Houghton County Gas Co., and consolidated into Michigan the utility properties of five other corporations, Marquette County Gas & Electric Company, Constantine Hydraulic Company, Milling & Power Company, Three Rivers Light & Power Company, and Three Rivers Gas Company, all of whose stock had been acquired by Middle West Utilities Company during the period 1912–1916. The excess of securities of Michigan then outstanding against the consolidated properties, over the cost of the properties to the Middle West Utilities Company system, was $555,549, computed as follows:

Michigan's securities and obligations outstanding	$2,017,610
Cost of the properties to the Middle West Utilities Company system	1,462,061
Excess securities and obligations outstanding	555,549

15. In 1924 Michigan acquired from Middle West Utilities Company the properties of City Gas Company, and paid therefor $60,000 face value of 6% first mortgage and refunding bonds and $100,000 par value of common stock. Middle West Utilities Company had acquired said properties at a total cost of $57,582. The excess of face and par value of securities issued by Michigan for the City Gas Company properties over and above their cost to the Middle West Utilities Company system was $102,418.

16. In 1926 Michigan acquired from Mississippi Valley Utilities Investment Company, a subsidiary of Middle West Utilities Company, the properties of Niles Gas Light Company and of Electric Light and Power Company of Munising. Michigan paid Mississippi Valley Utilities Investment Company for said properties $424,000 principal amount of 5% first mortgage bonds, $28,800 par value of 7% prior lien stock, and $133,800 par value of common stock, a total of $576,600 face and par value of securities. The Middle West Utilities Company system had acquired these properties at a total cost of $349,838. The excess of face and par value of securities issued by Michigan in exchange for said properties, over and above the cost of the properties to the Middle West Utilities Company system, was $236,762.

17. In September, 1930 Michigan acquired from Middle West Utilities Company the properties of Dowagiac Light and Power Company, and paid therefor approximately $596,410. The Middle West Utilities Company system had acquired said properties in 1928 at a cost of $236,553. The excess of the price paid by Michigan over and above cost to the Middle West Utilities Company system was $359,857.

18. In September 1930 Michigan acquired from Middle West Utilities Company the properties of Holland Gas Company, and paid therefor approximately $815,863. The Middle West Utilities Company system had acquired said properties in 1929 at a cost of $555,405. The excess of the price paid by Michigan over and above the cost of the property to the Middle West system was $260,458.

19. To summarize the foregoing, in acquiring properties from Middle West Utilities Company and other affiliates to and including 1930, Michigan had issued securities or otherwise paid prices approximately $1,515,044 in excess of the cost to the Middle West Utilities Company system of the properties against which the securities were issued or for which said prices were paid, made up of the following items:

Excess securities and obligations outstanding as a result of the acquisition of Michigan in 1917 and the consolidation into Michigan of the properties of five other companies	$555,549
Excess securities issued in 1924 upon the purchase of City Gas Company properties	102,418
Excess securities issued in 1926 upon the purchase of Niles Gas Light Company and Electric Light and Power Company of Munising properties	236,762
Excess price paid in 1930 for Dowagiac Light and Power Company properties	359,857
Excess price paid in 1930 for Holland Gas Company properties	260,458
Total	1,515,044

20. From February, 1920, through July, 1935, Michigan acquired from interests stated to be non-affiliated with Michigan certain utility properties involving plant acquisition adjustments totalling $344,455 over original cost.

21. Michigan has heretofore filed a declaration or application with the Commission (File No. 70–312) wherein it requests an exemption from the provisions of section 6 (a) of the Act for the issuance and sale of $3,500,000 principal amount of new 3¾% first mortgage bonds due March 1, 1972 and $750,000 principal amount of 3½% debentures due serially September 1, 1943–March 1, 1952, the proceeds therefrom to be used for the redemption of its 6% bonds, of which $1,725,800 are outstanding, and of its 5% bonds, of which $2,535,200 are outstanding. Said proposed refunding would leave substantially unchanged the present ratio of long term debt to net property, and would require Michigan to pay off $750,000 of debentures over a period of ten years. On the basis of the present rate of earnings, there would be insufficient earnings to meet annual amortization payments on the debentures and dividend requirements on the prior lien and preferred stocks.

It appearing to the Commission in the light of the foregoing that it is appropriate and in the public interest and

in the interests of investors and consumers to institute proceedings against Michigan and Middle West under sections 11 (b) (2), 12 (c) and 15 (f) of the Act in order to determine whether certain orders should be entered pursuant to the provisions of any of said sections, all as hereinafter set forth; and

It further appearing to the Commission that much of the evidence bearing on the matters recited above and upon the questions to be determined herein, bears also upon the matters to be considered and questions to be determined at the hearing heretofore ordered on the declaration or application filed with the Commission by Michigan (File No. 70-312), referred to in paragraph 20 herein above;

It is hereby ordered, That Michigan and Middle West file with the Secretary of the Commission on or before April 17, 1942, answers to the allegations contained in paragraphs 1 to 20 hereof, inclusive, in the form prescribed by Rule U-25 of the Rules adopted pursuant to the Act.

It is further ordered, That a hearing on such matters under the applicable provisions of the Act and the rules of the Commission thereunder be held on April 29, 1942 at 10 o'clock A. M. E. W. T. at the offices of the Securities and Exchange Commission, 18th and Locust Streets, Philadelphia, Pa. On such day the hearing room clerk in Room 318 will advise as to the room where such hearing will be held.

It is further ordered, That Richard Townsend or any other officer or officers of the Commission designated for that purpose shall preside at the hearing on such matters. The officer so designated to preside at such hearing is hereby authorized to exercise all powers granted to the Commission under section 18 (c) of the Act and to a trial examiner under the Commission's Rules of Practice

It is further ordered, That without limiting the scope of the issues otherwise to be considered in this proceeding, particular attention will be directed at the hearing to the following matters and questions:

1. Whether the allegations set forth above are true and accurate.

2. Whether it is necessary or appropriate in the public interest or for the protection of investors or consumers to require that Michigan restate its plant and investment, surplus, capital and other accounts pursuant to Section 15 (f) of the Act and to the rules thereunder so as to segregate, dispose of, and/or eliminate write-ups and intangibles in the plant accounts, set up adequate reserves for retirements and depreciation, and make other adjustments in conformance to the standards of the Act.

3. Whether it is necessary or appropriate to enter an order pursuant to section 12 (c) of the Act prohibiting or restricting the payment by Michigan of dividends on its prior lien, preferred or common stock, in order to protect the financial integrity of Michigan, to safeguard its working capital, to prevent the payment of dividends out of capital or unearned surplus, or to prevent the circumvention of the provisions of the Act or of the rules, regulations or orders thereunder.

4. Whether, for the purpose of fairly and equitably distributing voting power among the security holders of Michigan pursuant to the provisions of section 11 (b) (2) of the Act, it is necessary or appropriate to require that Michigan shall revise and simplify its capital structure and that Michigan and Middle West take other steps to fairly and equitably redistribute voting power among the security holders of Michigan.

5. Whether further action may be required of Michigan and Middle West in order to effect compliance with the provisions of sections 11 (b) (2), 12 (c), and 15 (f) of the Act.

It is further ordered, In the interest of expeditious procedure that the hearing on the matters recited above be and the same hereby is consolidated with the hearing heretofore ordered in the proceeding entitled, "In the Matter of Michigan Gas and Electric Company, File No. 70-312", and that evidence be taken in said consolidated hearing with respect to both proceedings, reserving however the right at any time hereafter to sever said proceedings and to issue separate orders therein.

It is further ordered, That upon the convening of the hearing above ordered, the respondents shall show cause why the Commission shall not forthwith enter an order prohibiting the declaration or payment of further dividends on the prior lien, preferred and common stock of Michigan pursuant to the provisions of section 12 (c) of the Act and the rules thereunder; such order to be effective until termination of the proceeding herein ordered and final determination of the issues stated above.

It is further ordered, That notice of said hearing is hereby given to Michigan Gas and Electric Company and The Middle West Corporation, their respective security holders, all States, municipalities and political subdivisions of States within which are located any of the physical assets of said companies, or under the laws of which any of said companies are incorporated, all State Commissions, State Securities Commissions and all agencies, authorities or instrumentalities of one or more States, municipalities or other political subdivisions having jurisdiction over Michigan Gas and Electric Company and The Middle West Corporation or over either of said companies or over any of the businesses, affairs, or operations of either of them; that the Secretary of the Commission shall serve notice of the hearing aforesaid by mailing a copy of this order by registered mail to Michigan Gas and Electric Company and The Middle West Corporation not less than fifteen days prior to the date hereinbefore fixed as the date of hearing; that such notice shall be given further by a general release of the Commission, distributed to the press and mailed to the mailing list for releases issued under the Act; and that further notice be given to all persons by publication of this order in the FEDERAL REGISTER not less than fifteen days prior to the date hereinbefore fixed as the date of hearing; and

It is further ordered, That any person proposing to intervene in these proceedings shall file with the Secretary of the Commission on or before the 24th day of April, 1942, his request or application therefore as provided by Rule XVII of the Rules of Practice of the Commission.

By the Commission.

[SEAL] FRANCIS P. BRASSOR,
Secretary.

[F. R. Doc. 42-2874; Filed, April 1, 1942; 10:18 a.m.]

[File No. 31-451]

IN THE MATTER OF NATIONAL POWER & LIGHT COMPANY, AND MEMPHIS NATURAL GAS COMPANY

ORDER DISMISSING APPLICATION

At a regular session of the Securities and Exchange Commission, held at its office in the City of Philadelphia, Pennsylvania, on the 31st day of March, A. D. 1942.

An application having been filed by the above-named companies on July 21, 1938, pursuant to section 2 (a) (8) of the Public Utility Holding Company Act of 1935, for an order declaring Memphis Natural Gas Company not to be a subsidiary company of either National Power & Light Company or Electric Bond and Share Company; and

National Power & Light Company having advised the Commission that on August 1, 1941 it disposed of its entire interest in the securities of Memphis Natural Gas Company and that neither National Power & Light Company nor Electric Bond and Share Company now own any interest whatever in any security issued by Memphis Natural Gas Company; and

It now appearing to the Commission appropriate to order that said application be dismissed, to that effect

It is so ordered.

By the Commission.

[SEAL] FRANCIS P. BRASSOR,
Secretary.

[F. R. Doc. 42-2875; Filed, April 1, 1942; 10:18 a. m.]

[File No. 70-505]

IN THE MATTER OF THE UNITED CORPORATION

SUPPLEMENTARY ORDER PERMITTING DECLARATION TO BECOME EFFECTIVE

At a regular session of the Securities and Exchange Commission, held at its office in the City of Philadelphia, Pennsylvania, on the 31st day of March 1942.

On March 20, 1942 the Commission issued its Findings and Opinion and Order permitting to become effective, subject to certain conditions, the declaration of The United Corporation pursuant to the Public Utility Holding Company Act of 1935, particularly section 7 thereof, with respect to the reduction in the stated value of its outstanding shares of Preference Stock from $50, as presently stated, to $5 per share; and

The Commission having reserved jurisdiction to pass upon the solicitation of the approval of the stockholders of the declarant with respect to said reduction in the stated value of the Preference Stock and the accompanying restrictions to the capital surplus arising therefrom, as more fully set forth in said Findings and Opinion and Order; and

The declarant having filed, on March 28, 1942, a declaration in the form of a Post-Amendment herein, regarding the solicitation of its stockholders in connection with their approval, pursuant to section 12 (e) of the Act, Rules U-62 thereunder and said Order of the Commission, said declaration setting forth the proposed Notice of Special Meeting of Stockholders to be held on May 20, 1942, Form of Management Proxy, Proxy Statement and a full statement of the manner in which said solicitation is proposed to be made; and

The Commission having examined the declaration herein with respect to such solicitation and finding that the requirements of said Rule U-62 are satisfied and that it is appropriate in the public interest or for the protection of investors or consumers to permit said declaration to become effective;

It is therefore ordered, That said declaration be, and the same hereby is, permitted to become effective forthwith.

By the Commission.

[SEAL] FRANCIS P. BRASSOR,
Secretary.

[F. R. Doc. 42-2876; Filed, April 1, 1942; 10:19 a. m.]

[File No. 70-508]

IN THE MATTER OF UNION ELECTRIC COMPANY OF MISSOURI AND UNION ELECTRIC COMPANY OF ILLINOIS

SUPPLEMENTAL ORDER

At a regular session of the Securities and Exchange Commission held at its office in the City of Philadelphia, Pa., on the 31st day of March, A. D. 1942.

Union Electric Company of Missouri, a registered holding company and also a subsidiary of The North American Company, a registered holding company, having filed an application and declaration pursuant to the Public Utility Holding Company Act of 1935, particularly section 7 thereof and Rule U-50 thereunder, regarding the proposal to issue and sell $10,000,000 additional principal amount of its First Mortgage and Collateral Trust Bonds, 3⅜% Series due 1971, and publicly invite sealed, written proposals for their purchase in accordance with the provisions of Rule U-50 and to use the proceeds therefrom for new construction and for the purchase of additional capital stock of its subsidiary, Union Electric Company of Illinois; and

The Commission having on March 21, 1942, approved such application and permitted such declaration to become effective subject to the condition, among others, that Union Electric Company of Missouri report to the Commission the result of the competitive bidding as required by Rule U-50 (c) and comply with such supplemental order as the Commission may enter in view of the facts disclosed thereby, jurisdiction having been reserved for such purpose; and

Union Electric Company of Missouri having made such report to the Commission in the form of an amendment setting forth the action taken to comply with Rule U-50 (c) and specifying that it had received eight proposals for the purchase of said bonds pursuant to the invitation for competitive bidding, and setting forth that it has accepted a bid from a group of underwriters headed by Lehman Brothers of 109.28011% of the principal amount thereof, plus accrued interest thereon from November 1, 1941 to the date of delivery of and payment for the bonds which are to be resold to the public at 109⅞%, representing a spread to the underwriters of .59489%; and

The Commission having examined the record and finding no basis for imposing terms and conditions with respect to the price and spread at which such bonds are to be issued and sold;

It is ordered, That said application and declaration, as amended, be and it is hereby approved and permitted to become effective in regard to the price to the issuer, the spread, and the distribution thereof applicable to such bonds, subject, however, to the terms and conditions prescribed in Rule U-24 and to all the other terms and conditions and reservations of jurisdiction contained in our order of March 21, 1942 except that relating to compliance with Rule U-50 (c.)

By the Commission.

[SEAL] FRANCIS P. BRASSOR,
Secretary.

[F. R. Doc. 42-2877; Filed, April 1, 1942; 10:19 a. m.]